CHRETIEN: Did He Lie? • HOLIDAY SHOPPERS: Back in Force

CANADA'S WEEKLY NEWSMAGAZINE

Maclean's

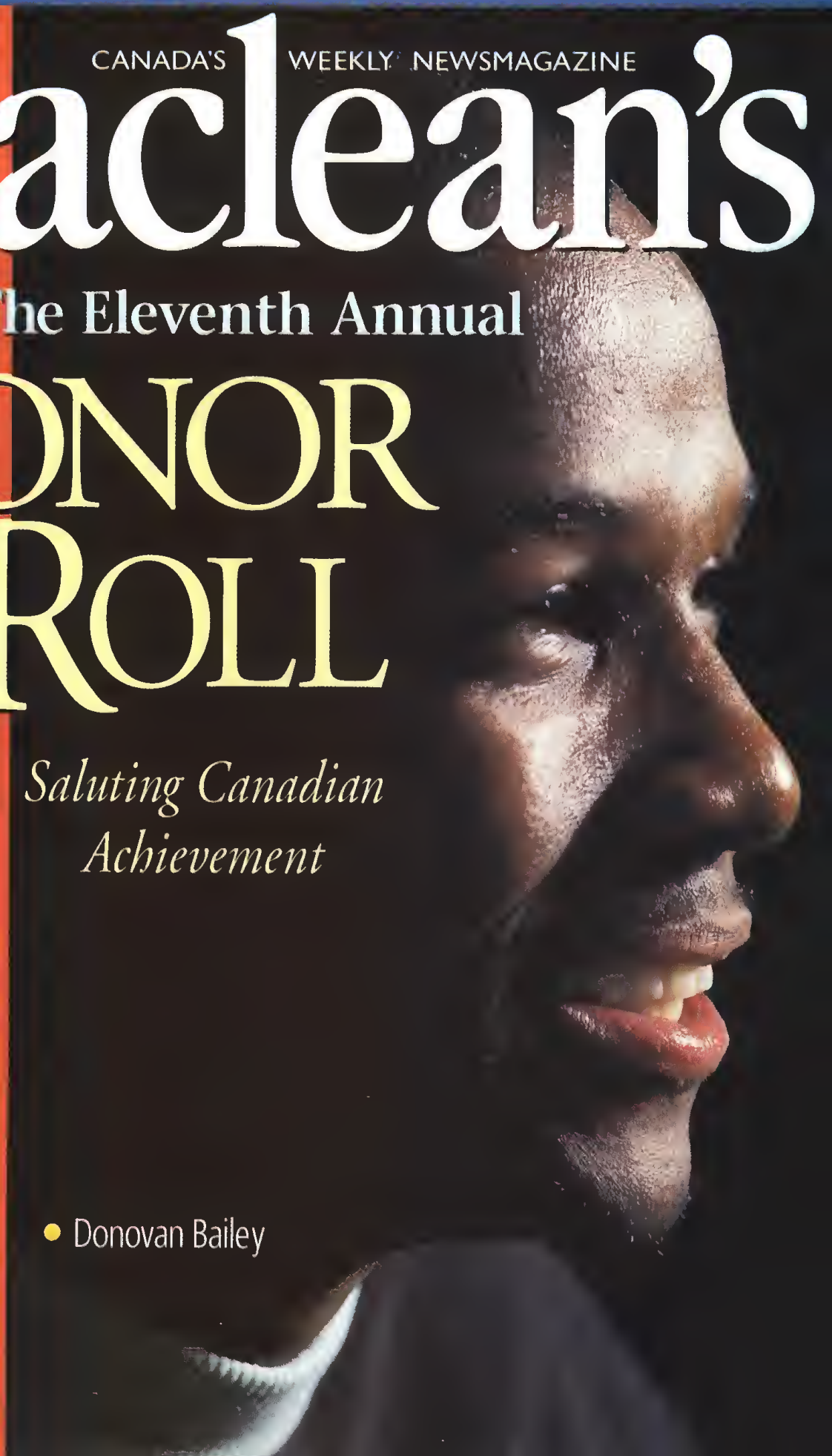
DECEMBER 23, 1996

The Eleventh Annual

HONOR ROLL

Saluting Canadian Achievement

- Jann Arden
- Bruce Craig
- Rob Fisher
- Kathleen Heddle
- Martha Henry
- William Hutt
- Craig Kielburger
- Myriam Laberge
- Carole Lafrance
- Tak Mak
- Marnie McBean
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Maclean's This Week

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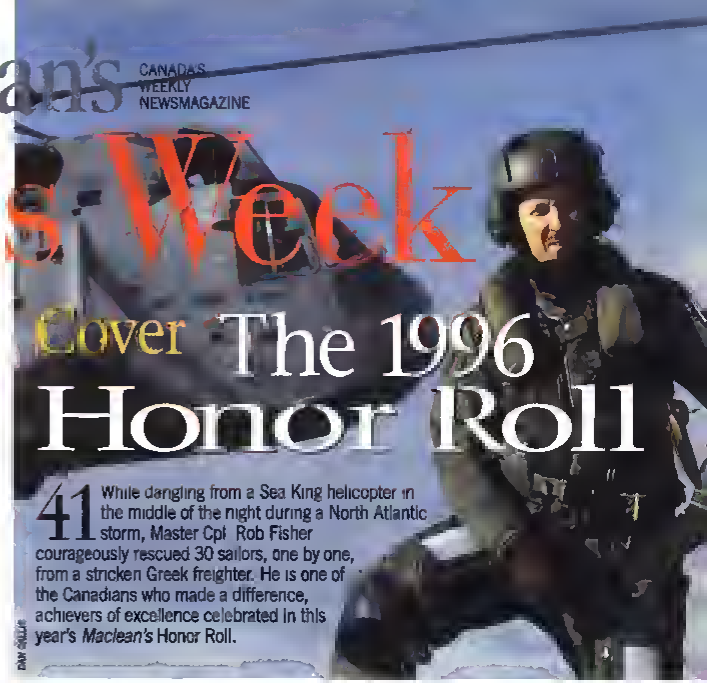
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COVER PHOTO BY PETER GREGG/MACLEAN'S

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DAN GILLIS

Cover The 1996 Honor Roll

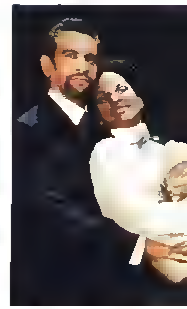
41 While dangling from a Sea King helicopter in the middle of the night during a North Atlantic storm, Master Cpl. Rob Fisher courageously rescued 30 sailors, one by one, from a stricken Greek freighter. He is one of the Canadians who made a difference, achievers of excellence celebrated in this year's *Maclean's* Honor Roll.

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The Prime Minister takes a beating from all sides—while the attacks on his integrity and personal popularity leave the federal Liberals stunned



FRED CHARTRAND/CANAPRESS





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Canadian store owners are enjoying a better-than-expected holiday shopping season, fuelling hopes for a retail revival

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Garth Drabinsky's *Ragtime* features a strong cast, impressive sets and terrific choreography. Does a musical about early-1900s America have the stuff to go all the way?

From The Editor

The candor question



In one short week, Jean Chrétien managed to make himself look as slippery as Brian Mulroney did in his heyday and as out of it as George Bush did when he expressed amazement about the newfangled grocery checkout scanners. Is the Prime Minister losing his touch? In an appearance on the CBC's town-hall forum, Chrétien insisted that he had never promised to abolish the seven-per-cent Goods and Services Tax, in defiance of video clips showing him doing that very thing. And he appeared totally insensitive to citizens who expressed frustration about being out of work, telling them that they could move or start their own business.

Emboldened by the prime ministerial nuances, his opponents immediately took up the chant that he was "lying" about getting rid of the GST. The usage was all the more striking because it is unparliamentary to use the term in the House of Commons and it is a potential slander for a citizen to call someone a liar in public—the only defence being the onus on the accuser to prove the allegation in a court of law if sued. Chrétien insisted in an interview with *Maclean's* last week that he had been careful "not to create the impression that we would just scrap it and not replace it" (page 16).



TERRY MCDONALD/ILLUSTRATIONS

Chrétien and wife Aline in the holiday spirit: out of touch?

True, the infamous Red Book of Liberal promises, which few voters actually read, did say that "a Liberal government will replace the GST with a system that generates equivalent revenues." But perhaps Chrétien has forgotten some of the vivid phrases he used not only in the heat of the political season leading up to the 1993 election but even after becoming prime minister. He said, variously, that he would "get rid of the GST" (December, 1992), "abolish it" (October, 1993) and "kill it" (May, 1994). He certainly did not leave anyone with the impression that he was planning to *blend* the GST with existing provincial taxes.

Perhaps he also forgot that Finance Minister Paul Martin said last April that "we made an honest mistake" in promising a prompt switch to a completely different tax. Perhaps he forgot that Hamilton's Sheila Copps resigned her cabinet seat and faced a byelection in her attempt to honor a campaign promise to abolish the GST.

It is possible that the image of "Lyin' " Jean that the opposition is seeking to create may stick. His seemingly uncaring dismissal of people with problems could be a defining moment of his prime ministry. At the same time, the Prime Minister has so repeatedly reduced expectations about what he—and governments, generally—can do that it is possible people no longer expect much from their leaders. Not even candor.

The profiles of the 14 individuals cited in the eleventh annual Honor Roll is a striking contrast to the snapping and snarling in Ottawa (page 41). The eleventh annual salute to Canadians who made a difference to their country and community in 1996 brims with hope and a sense of accomplishment. The common feature of the people cited, from famous Olympic athletes to an elementary schoolteacher, is how the individual pursuit of excellence can shape the lives of others for the better. And that is no lie.

Robert Lewis

Newsroom Notes:

The Honor Roll

The current issue marks the fourth time this year that Donovan Bailey has appeared on a *Maclean's* cover, three of them designed by Art Director Nick Burnett. Burnett has created about 600 covers in his 17 years at the magazine, but few give him more pleasure than the Honor Roll, a project he has been involved with since its inception in 1986. "The secret is in the photos—and most of the greatest shots are informal and unposed to show the human side of the person," says Burnett. Five of the 12 photos this year were taken by Photo Editor Peter Bregg, while Michael Benedict, editorial director (new ventures), oversaw the year-long project. Says Benedict: "We start gathering the names of potential honorees in January and continue right through the year. And our readers always write to us about people we might not otherwise have known about."



Burnett (left), Benedict: year-long project

The 1996 honorees also will be featured in a special TV program, *Canadian Heroes—A Celebration of Excellence*, hosted by Peter Kent and Pamela Wallin on the CanWest Global system. In most provinces, the show will air at 9 p.m. on Dec. 30.

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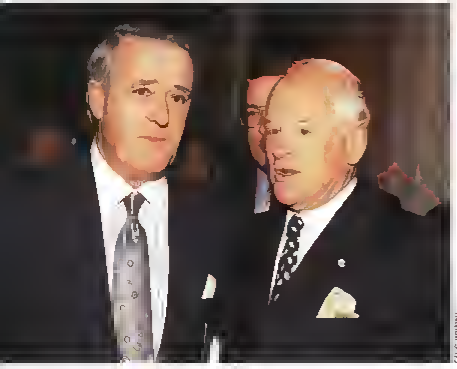
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The Mail



ERIC WYNNE

Mulroney (left), Munk. Indonesian people should own the gold

Gold standard

Peter Munk's clever machinations to get his hands on the Busang gold field sound to me like a colossal theft from the Indonesian people ("King of gold," Cover, Dec. 9) By morality and international law, no one but the Indonesian people (who, I believe, could use some wealth) should own the gold.

Les Desfosses, Victoria ▣

What claim, legitimate or otherwise, has Peter Munk on the Bre-X property in Indonesia? If David Walsh of Bre-X had won the Lotto 6/49, has Munk the right to stick a gun in his ear and claim 75 per cent?

H. K. Fredrickson, Kemble, Ont.

How could a seven-page story on Peter Munk and the Suharto family of Indonesia forget to mention the atrocities of East Timor? More than 200,000 Timorese were massacred, and women and children were taken and used for prostitution by the military. It is one of the world's worst genocides since the Second World War. This year's Nobel Peace Prize went to two East Timorese citizens. Business and money in the amoral 1990s have taken priority over the concern for the human condition. I do not deny commerce its place, but its discounting of humanity for corporatism is reprehensible.

Aldo Viola, Toronto

It was disturbing to see former U.S. president George Bush in a tête-a-tête with President Suharto, Indonesia's corrupt and brutal dictator, and former prime minister Brian Mulroney involved with a deal in the same region ("The Indonesian way"). Gore Vidal once described Bush as the "errand boy of the corporations." Ditto Mulroney.

Vincent Sonntag, Fernie, B.C.

CFL: 'a buried gem'

During the past two years, I have paid to see the Celtics play their final home game in the storied Boston Garden and the Bruins skate anew in the Fleet Center. I have paid to watch the Canadian Juniors win a world hockey championship, Roger Clemens shut down the Cleveland Indians offence, and the New England Patriots embarrass themselves against Denver in the much-hyped Game of the Year. But it may interest some of you north of the border to hear that by far the most worthwhile money I parted with during this period were those dollars I spent to purchase my Grey Cup tickets following my nine-hour drive to Hamilton. It was a fabulous sporting event, made even more enjoyable by the participation of the local citizens and the camaraderie of the crowd ("The Cup runneth over," Sports, Dec. 9). It's a shame that people in their quest for big-league sports overlook the gem buried in their own backyard.

S. J. Valentine, Boston ▣

Valuing unpaid labor

I am disturbed by Diane Francis's column ("The feminine mystique in the front office," Dec. 9). The subtext of this article suggests that the alternative to women "creating wealth" for their nation is to be "handcuffed to their uteruses, to child rearing and pleasing husbands." Why are we creating wealth if not to provide a good life for our children? I can only hope that more women in the front office will also mean a trend towards family-friendly workplaces, recognition that children and families are the greatest wealth we could ever have, and equal value given to the important job of raising children.

Gail Tusz, Huntsville, Ont.

The distance we have to go seems insurmountable when, with a stroke of a pen, Diane Francis dismisses the value of all the unpaid work women do. Caring for children, the elderly, supporting one another, and volunteer work save the government billions of dollars. Doing tasks other than "wealth creation" creates a foundation for society to work upon. I would like to see a New Economy where sexual equality exists and the value of unpaid labor is recognized.

L. C. Duncan, Kanata, Ont.

Noble initiative

A few weeks ago, we witnessed one of Canada's finest moments. When the rest of the world was saying the problem in Zaïre was not their problem, our Prime Minister stood up and said that human suffering was everyone's problem, no matter where it is ("Mission of mercy," World, Nov. 25). We showed the world a small glimpse of leadership. For one brief, shining moment we told the world that unnecessary suffering was our greatest enemy, and we would fight our foe, no matter where he hides. They were noble words that held high the Canadian identity and our purpose in the world, that people of differing languages and cultures can work together to advance the human condition and rescue the unknown brother in distress.

Rick Fry, Moncton, N.B. ▣

Tobacco sponsorship

I must say I was disgusted with complaints about sports events or entertainment that might go under due to a legislated lack of contribution from tobacco companies ("Trying to snuff out smoking," Canada, Dec. 9). We are talking about something a great deal more important—we're talking about our children.

D. A. Petersen, Kingston, Ont.

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THE MAIL

Dictatorial clone

I read with astonishment the excerpt from the book *Double Vision: The Inside Story of the Liberals in Power* by Anthony Wilson-Smith and Edward Greenspon, reviewed by Peter C. Newman ("*Double Vision*, the best political romp," The Nation's Business, Nov. 18). Is this the secret of Prime Minister Jean Chretien's leadership? He threatens to fire ministers arbitrarily after a cabinet leak? Now we know what we are up against. Not only do we have a prime minister who is accommodating towards separatists, and condescending towards the "third party" and Canadians in general, but we have a downright dictatorial clone running this country. I fear for Canada.

Werner Gretz,
Clyde, Alta.

'Our own apartheid'

I cannot adequately express my anger and disgust over the cost of yet another royal commission ("Paying the price," Canada, Dec. 2). The latest dog-and-pony show has spent nearly $60 million to tell us, essentially, that a large of number of Canadian aboriginals live in poverty. How anyone can justify spending this amount of money to study an issue that has already been examined many times before is totally beyond me. Like many academics, I've done my share of consulting work for governments and found it a cynical business. The sad fact is that government departments are seldom interested in solving problems. They would much rather administer them, since this ensures a continuity of employment and the chance to build an empire. I am reminded of a study I once carried out for a provincial government. The bureaucrat in charge was ecstatic. "This is great," he said. "Did you do it on a laser printer?"

Richard J. Haigh,
Sidney, B.C.

As a Canadian living in Johannesburg, watching the development of the new South Africa, I find the article on urban natives ("Prairie time bomb," Canada, Nov. 11) too close for comfort. Perhaps it is time for all Canadians to take a good look at the issues that affect the lives of Canadian natives and demand that our governments take responsibility for the lifestyle that was forced on them through the creation of reserves. Canadians supported and praised South African President Nelson Mandela and the African National Congress in their struggle to eliminate apartheid. Now, we must eliminate our own brand of apartheid.

Francine Halle
Wendywood, South Africa



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THE MAIL

Boardroom incest

Kudos to Deirdre McMurdy for telling it like it is around the sumptuous table where boardroom directors gather ("Degrees of separation," The Bottom Line, Dec. 2). The staggering permutations of interlocking interests—political, financial, familial— would challenge an Einstein. The whole structure of mutual bottom-line stroking reeks of political and commercial incest. We do have laws against incest in other relationships, the lack of such laws in this instance merely confirms a blatant lack of political will. Do not hold your breath for corrective legislation.

Lyman Roddick,
Brockville, Ont.

American medicine

I just hung up from a conversation with an American relative who is being denied a diagnostic test authorized by three specialists by her insurance company which deems the procedure unnecessary ("Radical surgery," Cover, Dec. 2). Several American medical friends have told me that their practice is under greater control than their Canadian colleagues'. Medical decisions have been taken from the doctors, substituted by insurance clerks who interpret company policy. Consumer advocate Ralph Nader says that U.S. insurance companies are mustering at the border waiting for the opportunity to enter the Canadian market. No thank you. If my premiums must go up, so be it. If I must pay higher prices at the gas pumps, so be it. If I must wait a few months for elective surgery, so be it. I have friends who have been cancelled by American insurance companies and are uninsurable. Universal health care is a human right. Operating hospitals for profit and insurance-controlled health care need to be kept out of Canada.

W. Jon McCormick
Port Alberni, B.C.

The Road Ahead

More power to the provinces

Just as individuals do, countries have strengths and weaknesses, and we can learn from each other. Having lived half of the Seventies and Nineties in the United States, this Canadian has seen some American values and practices that my country might well adopt.

In general, Americans seem happier than Canadians, certainly happier with their governments. More easily quantified is the fact that Canadian unemployment hovers stubbornly around 10 per cent, almost double the American level. These conditions are related, and the problems can be alleviated.

Major intergovernmental disagreements arise less often between the states and Washington than between the provinces and Ottawa. Federal-provincial bickering causes divisiveness and diverts an enormous amount of political energy from more constructive pursuits. Many of these disagreements concern social programs. Overlapping federal and provincial jurisdictions should be minimized, with Ottawa relinquishing its taxation and funding roles. In particular, equalization payments to the provinces and employment insurance should both be abolished.

Governments have a valuable role in smoothing out economic misfortunes, both on the provincial and personal levels, but long-term redistribution of money is unhealthy. Transfer payments and employment insurance distort the national economy, keeping provinces and individuals from necessary adaptation to change. It makes no sense to accept, year after year, that some provinces are the have-nots. These provinces are overpopulated and/or poorly governed. One of the riches of the Canadian nation is that you are free to move to new opportunities.

Employment should be integrated into provincial taxation and welfare. Employment insurance allows people to remain in a marginal economic state instead of getting on with their lives. Government has no business in "insuring" work through involuntary taxation. If employment is insurable, private enterprises will spring up to provide the service. Welfare, on the other hand, is often necessary in a civilized society, and Canadians may wish to be generous. It is best handled as locally as possible, taxed and administered by the provinces.

Canadians want a kind society, a value which need not be abandoned. Both new and current taxpayers will be happier with less unemployment.

Leslie E. Hajdo
Dallas, Tex.

***The Road Ahead** invites readers to advance specific solutions to Canada's political, social and economic problems. Unpublished submissions may run condensed as regular letters or appear on an electronic bulletin board.*

In your article about changes in the health-care system, I noticed a quote from Michael Decter, managing director of a company that specializes in making hospitals more efficient, which states, "People are saying, 'Wait a minute, if I get a choice between lying in bed for a week to have my cataracts taken out with a scalpel, or getting them done in half an hour with a laser—it's an easy choice.' " Lasers are *not* used in cataract surgery. They are most commonly used to cut or burn tissue, and since a cataract is a clouding of our eye's natural lens, it has to be removed. Using enough laser energy to vaporize the entire lens would be analogous to setting off an explosion inside a grape.

Dr. R. C. Scott,
Department of ophthalmology,
Dalhousie University,
Halifax

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Maclean's
WHAT MATTERS TO CANADIANS

Editorial Update

Maclean's Honor Roll

Maclean's presents its 11th annual Honor Roll of 12 Canadians who have made a difference to the nation. Selected by Maclean's editorial team, these chosen few have added luster to the worlds of arts and entertainment, science, business, sports, charity and academia. Read all about the honorees in the Dec. 23 issue, available on most newsstands on Dec. 16.

Maclean's Double Issue

Maclean's presents its annual double issue, featuring the 13th year-end poll which asks Canadians to share their perceptions of the future of the nation as we approach 1997. This popular poll explores how Canadians feel on everything from national unity and government cutbacks to sex and spirituality. This issue also features *Welcome to the Millennium*, a special report by Peter C. Newman. Maclean's Dec. 30/96-Jan. 6/97 double issue is available on most newsstands on Dec. 23. **Holiday Note:** With the special double issue there will be no Maclean's on Dec. 30/96. The next issue after the Dec. 30/96 – Jan. 6/97 is the Jan. 13/97 issue, available on most newsstands Jan. 6/97.

Personal Finance

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Multimedia News

Maclean's on the Web



Maclean's on the World Wide Web provides a selection of stories from the current week, and previous special reports called "Keepers", as well as a university ranking section. In the Maclean's forum post your views on Canada's future and other hot topics.
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Three Canadian women won six Grammies, two brought the country our first three time Olympic gold, one was nominated for the Booker prize for the third time and another became the first foreigner to top the Japanese pop charts in 12 years. Read all about them in Chatelaine's Holiday issue, and see if *you* are Woman of the Year. On sale now.



CHATELAINE. WHERE CANADIAN WOMEN GET IT ALL, TOGETHER.

Another View



Charles Gordon

Yes, Virginia, they can make a good movie

You could only call it amazement. It was on the faces and in the voices of everyone walking out of the movie theatre where *The English Patient* was playing. How could they make a movie so good, in this day and age? How could they dare to make a movie so complicated, so elaborate, so difficult, so morally ambiguous—and so long—and still make it such an enjoyable experience? And, if all that was possible, why can't they do it all the time?

The amazement is easily explained. First, it is an amazing movie. Second, people who have been going to the movies lately know too well the low-grade crap that passes for entertainment. They have spent entire summers looking in vain for an adventure that is not about explosions, a comedy not based on a 30-second sketch on *Saturday Night Live*, a serious story that is not a British costume drama, a love story in which people are not gritting their teeth all the time. After years of this, it has been too easy to conclude that no one knows how to make good movies any more. Or no one wants to.

Then here comes *The English Patient*, fashioned from the Booker Prize-winning novel by a Canadian author, Michael Ondaatje. This was not an easy book from which to make a movie. It had none of the stock characters and themes that Hollywood has employed to such disastrous effect in recent years. The settings were out of the way, the story complex, good and evil not always easy to distinguish. There was nothing sure-fire box office about it, and the stars were far from bankable, as the showbiz expression has it.

The producers, directors and writers took the chance. They tampered with the book, to be sure, but the changes had more to do with fitting the story onto the screen than with diluting it to make it easier to follow. The producers are reported even to have fought back an attempt to give the movie a big-name female lead.

The movie went ahead, without explosions, without Demi Moore, without puppies, Michael Jordan, cartoon characters or people who make a living acting stupid. Without any of these things, the movie has been a success and not only artistically. In its third week, *The English Patient* ranked seventh in U.S. box office receipts, despite a limited release.

So here's the question. If a movie aimed at a mainstream audience can demonstrate high quality and make money without insulting the intelligence of the people in the theatre, why don't we see more like it?

Two of the leading answers are (a) that it is easier (although not always cheaper) to make junk and (b) that it has been possible to get away with it. These are not new ideas. Writers on popular culture have long expressed the notion that a steady diet of films and TV aimed at the lowest common denominator has deadened our sensibilities to the point where we will accept insult as humor and explosion as excitement. But it is not the audience that is to blame. It is the fearfulness of those who make the decisions. To challenge the audience has always been seen as risky, and the studio heads and network bosses have never been fond of risk.

From time to time, a rare coming together of talent and money produces a memorable work. Think of *Annie Hall*, *M*A*S*H*, *The Godfather*, *Cheers*, even *The Simpsons*. Then the usual forces take hold and it's back to the same old stuff. Rather than blame the system for it, those who want their entertainment to be better than it is now have to figure out how to influence the entertainment industry to live up to its potential.

> The entertainment industry needs to realize that people will boycott the screens, big and little, when the usual goo is on

Because we have power, too. At the moment, the industry thinks it is risky to challenge those who don't care, those who like the explosions and the laugh track. What the industry needs to be convinced of is the continuing risk of offending those who do care, who will crowd the cinemas to see *The English Patient* or turn on their TVs to see CBC's *The Newsroom*, and boycott the screens, big and little, when the usual goo is on.

One of the more convincing arguments may be that there is not that great a differentiation between the two audiences—in other words, that the world is not composed of discriminating people who stay away from the movies and undemanding ones who go. Most of us are somewhere in between. Give us something absorbing that demands something from us and we'll rise to the challenge.

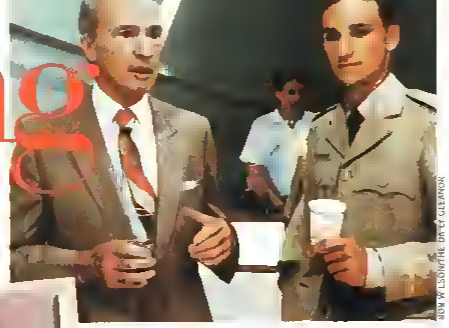
It will be interesting to watch the second season of *The Newsroom*, a show that critics love and people talk about. The show is smart and funny, quite obviously the product of creative minds rather than market research. The nature of the network bureaucrat, whether in the United States or in Canada or anywhere else, is to distrust such creativity. The usual pattern, demonstrated time and time again, is for the network executives to panic when there is the slightest dip in ratings, their panic taking the form of dumbing the show down, as if that will bring the audience back. It's instructive that no one's panic takes the form of smartening the show up.

The existence of such productions as *The Newsroom* and *The English Patient* shows that forcing panicky executives to smarten up rather than dumb down should be the goal. It won't be easy. There is still a firm belief in the truth of Henry Louis Mencken's famous dictum: "No one ever went broke underestimating the intelligence of the American people." The task is to prove him wrong.

That task is just as relevant in book publishing as it is in movies, just as important in politics as it is in television, sports or, for that matter, school. The movie house is not the only place we could do with a bit more quality.

Opening Notes

Edited by BARBARA WICKENS



Trudeau with Sacha last August, 1981 Christmas card (left): 'super kids'

A Trudeau legacy

The birth of Justin Trudeau 25 years ago—on Christmas Day, no less—was one of Canada's most anticipated events. Photos of mother Margaret, the beautiful 23-year-old wife of then-Prime Minister Pierre Trudeau, with her little bundle graced the front pages of every newspaper in the country. The arrival of Alexandre two years later—again on a Dec. 25—drew similar attention. The couple's third son, Michel, made his appearance on Oct. 2, 1975. But despite their high-profile beginnings, the three, by all accounts, are now not much different from most of their twentysomething contemporaries.



Justin, tall and lanky, is working on a master's degree at McGill University in Montreal. He sports longish hair and stylish clothes and has garnered his father's "cool" reputation. Alexandre—known as Sacha—enlisted earlier this year in the army reserve. Given his father's much publicized efforts to avoid overseas service during the Second World War, Sacha's hard work during training at CFB Gagetown, N.B., turned a few heads. Family friends say Michel, now attending Dalhousie University in Halifax, is the most like his father in his pursuit of academic excellence, and the most likely to follow in his political footsteps. "All three are just super kids and it is clear that Pierre is very proud of them," a former cabinet minister told *Maclean's*. "But like him since he left politics, they really don't want to get into the public eye." With their surname, the scrutiny may be difficult to shrug off.

Risqué Russians

Catherine the Great, in a garter belt? The Russian empress was known for her lusty appetites, but there are no state portraits of her cavorting semi-nude. Now, Artem Troitsky, editor of *Playboy* magazine's Russian-language edition, has rectified that omission. Catherine is featured in a series of illustrations of some of the most famous women in Russian history—in the buff. But Troitsky's attempt to bare Russia's history has attracted the attention of critics—and lawyers. The Russian Academy of Sciences and the St. Petersburg-based Centre for Gender Issues are suing the magazine for causing "harm to the dignity and professional reputation of these women." Leonid Petrenko, a lawyer for the academy, dismisses one obvious legal difficulty: the historical pin-ups are all dead. "We demand compensation for the moral damage done." Troitsky seems unperturbed. "There are no serious legal grounds warranting a law suit." Still, plans to publish risqué drawings of the wife and the mistress of Bolshevik leader Vladimir Lenin are on hold.

'Strangers care'

He is dressed in red and he hands out presents to children at Christmas time. No, he is not Saint Nick. He is Const. Tom Lowden, a Winnipeg-based Mountie who originated the force's annual Gifts for Kids program. He got the idea on Christmas Eve four years ago, when he and his wife, Nancy, found themselves surrounded by gifts for their three children. "We realized how blessed we were compared to others," he says, and the thought led him to start a gift drive for less-fortunate children. Lowden and his co-workers distributed 650 presents in Manitoba in 1993. The program has exploded across the country, with corporations and big banks climbing aboard. This year, hundreds of Mounties are handing out gifts to more than 21,000 children. But the best part, for Lowden, is something money cannot buy: "There is a positive and lasting impact on these kids when they see that people, strangers, do care." For the RCMP's 125th anniversary in 1998, Lowden has set a goal for his pet project: enough gifts for 125,000 children.



Lowden and gift recipients: blessed

How books go missing

Booksellers who are out of stock of favorite authors this holiday season say they are not to blame. Two years ago, Toronto publishers McClelland & Stewart and Penguin Books Canada Ltd. launched Canbook, a national distribution company. A meltdown in Canbook's computers in July, however, has wreaked chaos on the retail book industry. Shipments went missing, the wrong titles arrived and some orders were just never filled. Most galling, says Mark Lewis, manager of the Printed Passage bookstore in Kingston, Ont., is the fact that customers he has had to turn away have often found the book they wanted at another store. Penguin president Brad Martin says the company has been desperately trying to shake the bugs out of the system, and it is performing better. But like many booksellers, Lewis is worried that the customers he lost earlier this fall are not returning for Christmas—when the vast majority of books are purchased in Canada. That is one story booksellers simply do not want to read.

Low-content labels

In the United States, tough legislation in place since 1990 requires manufacturers to show nutritional details on nearly all packaged foods. That is not true in Canada. "We have sort of a mishmash of regulations," admits Margaret Cheney, chief of nutritional evaluation at Health Canada. Canada's rules require some information when a product makes a nutritional claim. But generally, companies do not have to give details about fat, cholesterol or sugar content, or anything else that might deter health-conscious shoppers. "It's outrageous," says John Morrill, a spokesman for the Washington-based Center for Science in the Public Interest, which carried its campaign for better-labelled food packaging to Canada last week. A comparison of the information on U.S. and Canadian versions of some popular items:

- The U.S. label on a 55-mg can of Hormel's luncheon meat, Spam, notes that a serving contains 16 g of fat, including six grams of saturated fat. The Spam label in Canada carries no nutritional information.
- The U.S. label on Campbell's V-8 vegetable juice shows that a 240-mL bottle contains 620 mg of sodium (salt). The Canadian label just says, "with salt."
- On Hellmann's Real Mayonnaise, the U.S. label shows that each tablespoon contains 100 calories and 11 g of fat. The Canadian label has no nutritional information.

Cheney says a review of Canada's outmoded regulations will get under way early in the new year. But it could be years before legislation requires Canadian food firms to tell the sometimes unpalatable truth about their products.

BEST-SELLERS

FICTION

1. **Alias Grace,** *Margaret Atwood (1)*
2. **The Englishman's Boy,** *Guy Vanderhaeghe (2)*
3. **The Tailor of Panama,** *John le Carré (3)*
4. **The Deep End of the Ocean,** *Jacquelyn Mitchard (9)*
5. **Selected Stories,** *Mavis Gallant (8)*
6. **Last Orders,** *Graham Swift (7)*
7. **You Went Away,** *Timothy Findley (4)*
8. **Fall on Your Knees,** *Ann-Marie MacDonald (5)*
9. **Airframe,** *Michael Crichton*
10. **The Witch of Exmoor,** *Margaret Drabble (6)*

NONFICTION

1. **Boom, Bust & Echo,** *David Foot and Daniel Stoffman (1)*
2. **A History of Reading,** *Alberto Manguel (4)*
3. **My Story,** *Sarah, Duchess of York (3)*
4. **The Great Adventure,** *David Cruise and Alison Griffiths*
5. **The Soul's Code,** *James Hillman (2)*
6. **Shakedown,** *Angus Reid (6)*
7. **The Japan We Never Knew,** *David Suzuki and Keibo Oiwa*
8. **Barbara Frum,** *Linda Frum (7)*
9. **Natural Worlds,** *Robert Bateman*
10. **My Name Escapes Me,** *Alec Guinness*

() Position last week. Compiled by Brian Bethune

Montreal at its finest



In *City Unique: Montreal Days and Nights in the 1940s and '50s*, writer William Weintraub resurrects what was then Canada's largest, most vibrant city. He profiles characters from that unique era, from the dictatorial premier Maurice Duplessis to the mesmerizing stripper Lili St. Cyr.

The Vancouver flotilla



Pattison's Nova Spirit: a parade of lights plying the waters

As they do in so many endeavors, Vancouverites have their own distinct way of celebrating Christmas. In the Carol Ships Parade of Lights, a 34-year tradition, brightly lit and decorated ships—ranging from 20-foot sailboats to 150-foot charter boats, and including even some commercial fishing boats—ply the waters of the Lower Mainland. This year from Dec. 6 to 17, carollers aboard any of the 40 ships on weeknights and up to 70 on weekends could sing in unison because the carol ship society, which organizes the event, transmits the music on an FM band. But what has really raised a chorus of hallelujahs is the newest ship in the flotilla, Vancouver tycoon Jimmy Pattison's Nova Spirit. The 110-foot vessel, a replacement for last year's 80-foot model, features impressive bands of neon lights that slowly and subtly change color. Among Pattison's many business holdings: Neon Products Ltd.

Passages



Thibault: federalist

APPOINTED: As lieutenant-governor of Quebec, activist **Lise Thibault,** 57, to the post in Ontario, socialite **Hilary Weston,** 54, and in Newfoundland, scientist **Max House,** 70, by Prime Minister **Jean Chrétien.** Thibault, whose work on behalf of the disabled in Quebec has received wide acclaim, replaces actor **Jean-Louis Roux** who resigned in November after confirming that he wore a Nazi swastika in 1942. Thibault, a strong federalist who twice ran unsuccessfully as a Liberal candidate, promised to keep politics out of her vice-regal role. Weston, who is married to industrialist **Galen Weston** one of Canada's wealthiest businessmen, has long been active in charitable and cultural work. House, a neurologist, established the Telemedicine Centre at Memorial University in St. John's in 1976, pioneering the delivery of health services to isolated communities through telecommunications.

SIGNED: Free-agent pitcher **Roger Clemens,** 34, to a three-year contract worth $32 million with the Toronto Blue Jays. The acquisition of Clemens, known as The Rocket during his 13-year career with the Boston Red Sox, came a day after the Montreal Expos lost one of their cornerstone stars, outfielder **Moises Alou,** to free agency. Alou, 29, signed a five-year, $32-million deal with the Florida Marlins.

DIED: Archeologist and anthropologist **Mary Leakey,** 83, whose 1976 discovery of 3.5 million-year-old footprints in volcanic ash in Tanzania revealed that human ancestors walked upright much earlier than previously thought, in Nairobi.

DIED: U.S. author and consumer critic **Vance Packard,** 82, best known for his 1957 book, *The Hidden Persuaders*, that revealed how Madison Avenue preyed on consumers through subliminal messages and images, following a heart attack, in Vineyard Haven, Mass.

OVERTHROWN: The indecency conviction of former Guelph, Ont., student **Gwen Jacob,** 25, for going topless on a hot day in July, 1991. The Ontario Court of Appeal ruled that women are not breaking the law by baring their breasts in public if they have no sexual motivation.



FRED CHARTRAND/AP/PRESS

Chrétien with the CBC's Peter Mansbridge: stumbling responses that appeared insensitive and out of touch

Canada

Did Chrétien lie?

The Prime Minister comes under attack from all sides

BY ANTHONY WILSON-SMITH

Inside his third-floor Parliament Hill office last Thursday, Prime Minister Jean Chrétien spent part of the morning signing some of the 1,000 Christmas cards that will be sent out with his personal signature. Too bad, he grumbled good-naturedly at one stage, "that I cannot use one of those machines that fake your signature like Winston Churchill is supposed to have had." Never mind the jokes or the festive season. It soon became apparent to all around him that the Prime Minister, eyes bagged with exhaustion and attitude swinging swiftly from delight to defiance, was in no mood to party. As Chrétien remarked at one point during the course of a one-hour interview with *Maclean's* ("You know, in politics, I've been called a lot of things." (The full interview will appear in next week's special year-end issue of *Maclean's*.)

True—but seldom more so, or with worse effect, than last week. At various times, Chrétien was verbally pummelled by voters on national television, called a "liar" in a national newspaper and by a member of the Opposition, roasted on open-line shows, privately criticized by some cabinet colleagues, and accused of making false promises by a former member of his caucus. It was all enough to leave anyone grinch-like—especially a 62-year-old career politician whose two great emblems of pride are his reputation for integrity and his unwavering popularity in a three-year-long stream of public opinion polls. And the tempest was all the more stunning because the two areas for which he was most attacked—his government's record on job creation and promises to reform the Goods and Services tax—were both issues that Chrétien and his advisers thought had been put behind him months earlier.

But when Chrétien appeared on a CBC town-hall forum with a select group described by the network as "representative Canadians," the ferocity of the attacks and Chrétien's stumbling responses left the Liberals stunned. "Perhaps," said one cabinet minister privately, "it will serve as a necessary wake-up call that these issues are not going away. We need to acknowledge that." A senior aide to the Prime Minister was more succinct. "We will not," the aide said, "be using clips from this for our election campaign."

That flip remark speaks to a much deeper concern among Liberals with an election likely as early as six months from now—and almost certainly not later than a year away—the Prime Minister's credibility is both the party's greatest asset and, at the moment, its greatest potential weakness. Did Chrétien lie when he told Canadians during the 1993 election campaign that he would "kill" and "abolish" the tax? His ultimate solution was to continue efforts begun by the previous Conservative government to harmonize the GST with provincial taxes in order to create one blended rate. And did Chrétien mislead Canadians when he promised to create jobs and preserve the country's network of health and social programs? With the jobless rate still hovering at 10 per cent, and spending slashed on everything from health care to unemployment insurance and welfare payments, at least some members of the CBC town-hall audience were convinced he did mislead them.

In fairness to Chrétien, the Prime Minister, still suffering from jet lag after a gruelling late November trip to Asia, continues to wake up every morning at 3 a.m. and was visibly tired during his CBC appearance. And, because of a childhood illness that left him with no hearing in one ear, he is often ill-at-ease in public gatherings. But, in his few recent public appearances, Chrétien has sometimes walked a fine line between fact and fiction—and it appears to be catching up with him. Earlier this fall, he told a group of high-school students that he keeps in touch with the concerns of Canadians by sometimes talking to a homeless man near 24 Sussex Drive. After reporters sought—unsuccessfully—to find the man, the Prime Minister was forced to admit he had not spoken to a homeless person since he was in Opposition. That, among other things, led Conservative Senator Marjory LeBreton two weeks ago to label him a "liar." But LeBreton's unrelated criticism of Chrétien's wife, Aline, in the same speech undermined the effect of her remarks.

But last week, Chrétien had no such escape. In both the tone and content of some of his responses to questions from the CBC audience, he at times appeared uncaring or out-of-touch. The Prime Minister bluntly told one woman with three university degrees—and no job for four years—that she should consider moving elsewhere to seek work. An unemployed fisheries worker from Cape Breton—where the jobless rate in some towns tops 20 per cent—was advised to create her own business. And his irritated response to a woman who reminded him of his verbal promises to scrap the GST was "Read the Red Book"—the party's electoral platform.

In the wake of the broadcast, Chrétien and some of his advisers were convinced he had been the victim of a televised mugging by CBC producers who deliberately chose aggressive guests—and provided them with hard questions. In fact, right after the session, the Prime Minister told one of his cabinet ministers that he had seen guests "carrying written questions"—clearly implying that they had been planted. Although CBC officials denied planting questions, they did acknowledge that prospective guests were interviewed in advance by the network about the questions they would ask the Prime Minister if they were invited to participate in the forum. The only difference, the officials said, between last week's town-hall telecast and those of the previous two years was that questioners were told to remain standing—which may have made them more persistent. Just as significantly, the television forum, and related attacks, gave new energy to the Opposition parties—and for one of the few times in the past three years, Reform party Leader Preston Manning bested Chrétien during a House of Commons exchange, as he mocked the Prime Minister's GST declarations. For the Liberals, last week's stumbles present a clear danger: they may be destined to take their place among those sound bites that live forever in infamy—even if what is remembered is not precisely what was said or meant. Canadian political history already provides several memorable examples of that. During the 1957 federal election campaign, the Liberal government of Louis Saint-Laurent and the political fortunes of cabinet strongman C. D. Howe both came crashing down—in large part because of a rhetorical comment attributed to Howe. "What's a million?" That was seized upon by other parties as proof of Liberal arrogance and the government's isolation from real-life concerns. But Howe, who was alleged to have made the remark in the Commons in 1945, never actually did so.

> "In politics, I've been called a lot of things"

Instead, during a debate over defence spending, Howe admitted that a million could easily be trimmed from the $1.3-billion total. "but a million dollars from the war appropriation bill would not be a very important matter." Twelve years later, the Opposition abbreviated, and paraphrased, his remarks to deadly effect. Similarly, Pierre Trudeau is remembered for arrogantly asking Western farmers, "Why should I sell your wheat?" In fact, Trudeau, after asking the question rhetorically, then went on to explain all the obstacles that the Canadian government faced in trying to export wheat on the international market.

But if any of this bothers Chrétien personally, he isn't saying. In his interview with *Maclean's*, he refused to express regrets for any comments. Of his campaign commitments to "abolish" or "kill" the GST, he said he was quoted out of context because, he explains, "I was always very careful to say that we will have to replace it with other revenues. And when you have an integrated tax, you don't have the GST, you have something else." Similarly, he refused to back away from his assertion that someone who cannot find a job in their home town should consider moving. Said the Prime Minister: "I could not lie to them, tell them, 'Don't worry, we'll find you a job tomorrow.' It's not like that."

Fair enough. But at the very least, it is a substantially different tone than the one adopted by candidate Chrétien in the 1993 election campaign. At the time, he promised that a proposed $6-billion infrastructure program would not only improve roads but kick start consumer confidence and create jobs, all at the same time. That was also the campaign during which Chrétien, after the Tories ran ads mocking his facial expressions (also the result of his childhood illness), responded deftly, "At least, unlike them, I only talk out of one side of my mouth." Since then, Chrétien's government has embraced the gospel of deficit reduction, announced plans to slash 40,000 jobs from the federal payroll, and begun warning Canadians that leaner, meaner times lie ahead. The question now is whether meaner times also await the Prime Minister.



Krever: avoiding the 'quick and dirty' solution to the blood scandal

CANADA

'A passion to rectify things'

BY RAE CORELLI

In October, 1993, Tory Kim Campbell's federal government assigned a lanky, stoop-shouldered Ontario appellate court judge to investigate what he said "could be a matter of life and death." This week, after almost three years of hearings punctuated by anger, bitterness, anguish and recrimination, 67-year-old Horace Krever finally adjourned his inquiry into the nation's tainted-blood scandal. Then he retired to his rented headquarters on the 20th floor of a downtown Toronto office building to begin writing the report that Ottawa wants by April 30. Predictably, he will describe how more than 13,000 Canadians who received transfusions in the early to mid-1980s were infected—in many cases, fatally—by the viruses of AIDS and hepatitis C. What will remain unknown until Krever publishes his conclusions is whether—and to what degree—he will hold federal and Canadian Red Cross Society officials responsible.

But the likelihood that some of those linked to the public health disaster will not escape unscathed has aroused widespread interest in the hawk-faced, blunt-spoken jurist, accused by the federal government earlier this month of having embarked on "a search for scapegoats." Ottawa's 474-page report submitted to the inquiry on Dec. 6 said that, "regrettably, the preoccupation with blame, as opposed to understanding, has left many questions unanswered." Six days later, after Health Minister David Dingwall repudiated the attack, the government—which has refused to give Krever access to 1984 cabinet documents related to the tainted blood scandal—apologized for using "inappropriate language." Krever did not comment on the criticism or the apology. "I had a sense of an attempt to intimidate him," says Toronto lawyer Michael Royce, who appeared at an earlier Krever inquiry, "and I've got to tell you it isn't going to work."

Horace Krever stands his ground

Following the federal government's capitulation, numerous people were outspoken in their support for Krever. Canadian AIDS Society lawyer Douglas Elliot, who argues that the Red Cross should be banished from the blood business, said the jurist had been poorly treated by Ottawa, which seemed to be dissatisfied that he had done the job it had given him. Toronto councillor Kyle Rae and Ron Rosenes of the Toronto AIDS committee voiced similar opinions. Reform Party health critic Dr. Grant Hill said it was clear that the government wanted to bog Krever down "and to repeatedly impugn his motives." Durhane Wong-Rieger of the Canadian Hemophilia Society, however, said she thought Krever had applied "a very light hand" in his dealings with the government.

Krever declined to be interviewed last week. But some of his colleagues believe that the government's criticisms, together with the tragic tales related day after day by hemophiliacs and AIDS victims, have left him profoundly disturbed. "These hearings must have been very difficult and wearing for him," said Chief Justice Patrick LeSage of the Ontario Court of Justice. "Probably

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he, more than anyone, wanted to see them come to an end."

Yet the Montreal-born Krever's 40-year career as a lawyer, law professor and judge suggests that he welcomes the opportunity to tackle high-profile public issues. He has spent 15 years—more than one-third of his professional life—running government-mandated investigations, all of them health-related. "Krever is a guy who is almost passionate in his desire to rectify and correct things," says Toronto trial lawyer Ian Outerbridge.

That passion found its first outlet in 1966. On July 14, the federal government picked Krever, then a University of Toronto law professor, as co-commissioner of an inquiry to find better ways of educating and regulating 50 health occupations, ranging from nurses to neurosurgeons. In the end, the panel had to pore over more than 9,000 pages of transcripts, and its 1970 report contained hundreds of recommendations. Less than a year later, Krever—by then teaching law at the University of Western Ontario in London—was appointed to head a federal committee which, after four years, proposed legislative changes to prevent people from bootlegging human donor organs.

But Krever's most contentious and emotionally charged challenges were the just-completed contaminated blood marathon—and his dogged exploration in the mid-1970s of abuses linked to the disclosure of patients' health records in Ontario. That provincial inquiry ended with Krever's 1980 report, in which he was sharply critical of the roles played by police and health-care personnel in accessing confidential documents. And he said that people whose records were improperly divulged should have the right to sue the transgressor for $10,000.

Although several of his proposals became law, Krever may not have entirely won over Queen's Park on that occasion. But he captivates those who have worked with him—and he is a favorite among trial lawyers. "The worst thing you can say about a judge is that he has acted unfairly," recalls Windsor lawyer Harvey Strosberg, the counsel to the health-records inquiry. "Krever may not always be right but he's never unfair—and he is a true academic." At one point, Strosberg says, Krever asked him to prepare some material dealing with an issue before the inquiry and "he sent it back to me with a B-minus on it." Outerbridge remembers when Krever used to jog past his house in the wealthy neighborhood of Rosedale, occasionally pausing to chat. "There was never any doubt about where he stood in relation to whatever we talked about," says Outerbridge. "But I always liked appearing before him, not because I won anything, but because I felt I was talking to someone who understood what the hell I was saying." Says lawyer Royce, who represented doctors at the health-records inquiry, "Krever is very smart and very tough, you just don't mess with him."

That edge was evident in Krever's comments when he was appointed to head the tainted blood inquiry. "I

Refusing to budge

For the few victims who happened to be present, it was a long, dispiriting presentation. Occasionally, they shook their heads or rolled their eyes in exasperation as Toronto lawyer Earl Cherniak, representing the Ottawa-based Canadian Red Cross Society, made his final submission last week to the federal-provincial inquiry into Canada's tainted-blood scandal. As Cherniak spoke, it became apparent that the Red Cross would not acknowledge mistakes or apologize to those who contracted AIDS or hepatitis C through contaminated blood in the early to mid-1980s. "The position of the Red Cross is the same as when they went into the inquiry," said Durhane Wong-Rieger, president of the Montreal-based Canadian Hemophilia Society. "They haven't moved an inch."



PETER MACDIARMID

Conners (left) with her lawyer, Dawna Ring. 'Who did this to my family?'

In fact, Cherniak told Krever to avoid blaming anyone for past failures and urged him to concentrate on proposals for reforming the blood system. And Krever received dozens of suggestions, from advocacy groups such as the hemophilia society as well as the Red Cross. An overhaul is already in the works—the country's health ministers decided in September to establish a new national blood agency and ordered their officials to develop an operational plan by Feb. 15. But Krever has been ordered to complete his final report by next April, which may be too late to have much impact on the future of blood collection and distribution in Canada.

In addition, the role of the Red Cross in Canada's future blood distribution system remains unsettled. *Maclean's* has learned that negotiations with the agency have reached an impasse. Sources who have followed the talks say that a group of federal and provincial deputy health ministers met five members of the 21-member board of the humanitarian organization in Ottawa last week in an attempt to break the deadlock. The Red Cross is said to be balking at accepting a reduced role—while the governments are hesitant to take over the system over the objections of the organization because they do not want to alienate donors. "The Red Cross has been absolutely intransigent," said one participant in the process. "They're not willing to budge. The Red Cross is holding us hostage because they know we can't afford to have a war."

Red Cross officials refuse to comment on the negotiations. But from Cherniak's presentation, it is clear they believe that the tainted blood tragedy should not affect the organization's role in the future of the blood system. Cherniak told Krever that Red Cross medical professionals did the best job possible, given the resources available to them and the limited scientific understanding of AIDS in the early 1980s. He also urged Krever not to single out any individuals for blame in what he suggested was an unavoidable tragedy.

But surviving victims, and their representatives, want to know who caused the catastrophe, even if it means pointing fingers. Saskatoon lawyer William Selnes said that six of his clients have died since the inquiry started. On their behalf, he added, he is asking, "why why, why?" In a final appearance at the inquiry, Dartmouth, N.S., resident Janet Conners, 40, told Krever that her husband, Randy, a hemophiliac, infected her with HIV before dying of an AIDS-related illness in September, 1994, at age 38. Conners, who has developed AIDS, said her 16-year-old son, Gus, has seen his loved ones destroyed by the tainted-blood tragedy. She is, Conners said, entitled to a reply to the painful question: "Who did this to my family?"

D'ARCY JENISH

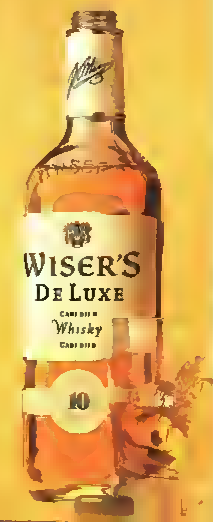


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do not intend to do this sloppily," he said. "I do not intend to do what in the jargon of the street is called 'quick and dirty' " Ottawa had told him it wanted his report by September, 1994, which prompted him to add. "If that time proves to be unreasonable, and it may well prove to be, then I will not sacrifice quality but will ask for an extension." It was and he did.

Nor was that the only time he rebelled. Two weeks before he got the job, then Health Minister Mary Collins told a provincial health ministers' meeting in Edmonton that the inquiry would try to restore public confidence in the blood system—not assign blame. But last year, Krever listed 153 allegations against the government and said he might be citing several highly placed individuals for misconduct. In June, the federal government and others, including the Red Cross, sought a court order to muzzle him. But Krever won a limited victory with a ruling that allowed him to name some, but not all, of the parties.

Throughout the hearings, aides say he was often moved by the stories of those who had received tainted blood—or by the accounts of their surviving families. He had demonstrably less patience with Red Cross and federal officials and some of the lawyers. When Douglas Lindores, secretary-general of the Canadian Red Cross, appeared before him in November, 1995, Krever said he could not understand why the agency had not apologized.

"I just don't understand why the A-word is so impossible to utter," Krever said.

"It's a complicated question, sir, and I wish I had a simple answer for you," Lindores replied.

"I think it's a simple question, Mr. Lindores," Krever snapped. Perhaps, he added, the Red Cross believed an apology might incur liability that would somehow void its insurance protection.

At another juncture, Jan Blue, a lawyer representing 600 people with hepatitis C, angered Krever by the questions he put to Dr. Roger Perrault of the Red Cross. When Blue asked Perrault if it was not "immoral" for the organization not to have acted sooner to head off further infection, Krever interrupted to say that he, and not the witnesses, would "make the judgment as to whether it was improper, immoral or wrong."

"Surely the witness's opinion would be material evidence," protested Blue.

"It would not," Krever said flatly.

Now, and for the next several weeks, he will subsist on junk-food lunches while he writes his report. Then, he will return to Osgoode Hall and the companionship of his 17 fellow appellate judges. "Have we got work for him when he gets back?" said Ontario Chief Justice Roy McMurtry. "Absolutely!" And Krever will apply himself once again to clear-cut cases where there are plaintiffs and defendants. Unless, of course, a government needs someone to head a royal commission of inquiry. □

Anthony Wilson-Smith



Backstage Ottawa

Distinct indifference

Canada, Marshall McLuhan once said, "is the only country in the world that knows how to live without an identity." But if Canadians are so unsure about who they are, why are they so certain that Quebecers should not be "distinct" from them—and why do Quebecers want so much to be that way? Therein lies the flaw in attempts to resolve the country's endless constitutional squabbling, as frustrated federalists in Quebec once again discovered last week. At a Dec. 7 meeting of the provincial Liberal party, leader Daniel Johnson came up with a consensus on a constitutional proposal to put to the rest of Canada—with, he said, advance support from six other provinces. Faced with a choice between constitutional peace or dismemberment of the country in a future referendum, Johnson argued, the country should agree to the package—which would guarantee Quebec distinct society status—and "deny the separatists the ammunition of saying that nothing ever changes."

> Quebec's Liberal leader tries to 'deny separatists the ammunition of saying nothing ever changes'

But then, nothing ever really does change on the never-ending constitutional front. Within a week, the proposal was, if not stillborn, in cold storage for the foreseeable future. One reason was the cool reception that it got from the premiers of Ontario, Alberta and British Columbia. That was based, in part, on opposition to formal recognition of Quebec as a distinct society. All of which illustrates one of the main problems in achieving any constitutional resolution in the near future: different debates take place inside that province than in the rest of the country. Outside Quebec, there is occasionally the curious view—usually espoused by those who seldom visit the province—that what Quebecers yearn for in order to become contented Canadians is to be hit over the head with ultimatums, not concessions. Inside Quebec, the view is far different. The Johnson package represents the most conciliatory gesture the provincial Liberals have taken towards the rest of Canada in at least a decade. As a result, the nationalist daily *Le Devoir* mournfully described it as "a radical rupture with the ideal [of much greater autonomy for Quebec] pursued by Quebec Liberals for the past 35 years."

The provincial Liberal strategy is to have the distinct society package approved by the federal government and six other provinces. Johnson could then tell voters that, if they elect him, Quebec itself would become the seventh province needed to pass a constitutional amendment, since any such change requires the "seven-50" rule—the approval of seven provinces representing 50 per cent of the population. The problem, of course, is that the holdouts—Ontario, Alberta and British Columbia—contain more than half the country's population. And federal Liberals are split over whether they should ignore the proposal, drive it, or allow themselves to be driven along if it gains momentum. Prime Minister Jean Chrétien, in an interview with *Maclean's*, damned it with faint praise, then dismissed it for the time being by observing that "we have a separatist government in Quebec that does not want to make much of it."

More to the point, the federal Liberals, with an election likely in the next year, are unwilling to champion such a potentially divisive idea. And, Quebec Liberals grumble, the real problem is that, for Chrétien, no time is ever a good time. The Prime Minister is clearly reluctant to risk his enormous popularity in English Canada by championing constitutional change on behalf of Quebec. The one exception was in the week after last year's sovereignty referendum when he tried—and failed—to win the support of enough premiers to push through recognition of Quebec's distinct society status. Some federal Liberals now believe the sovereignty movement is losing steam. As a result, complains one senior adviser to Johnson, the Prime Minister "has gone back to believing that if he does nothing long enough, the problem will disappear." The risk, as always, is that if Chrétien is wrong in squandering potential openings, it will be Quebec—not the sovereignty movement—that goes away.

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Canada NOTES

SAFELY HOME

The daughter of arrested Canadian financier Albert Walker left England for Paris, Ont., where her divorced mother, Barbara Walker, said it was "wonderful" to have 21-year-old Sheena back home. Police in England recently arrested Walker, 51, and charged him with murdering Ronald Platt. Walker is also accused of bilking Canadian investors out of $3.2 million. He and Sheena, who now has two young children, disappeared six years ago.

CALLING IT QUITS

Ontario Health Minister Jim Wilson resigned after an aide revealed confidential information about Dr. William Hughes, a cardiologist who is a leader of the Ontario Specialists Coalition. The aide said that Hughes was the province's "top biller." The leak raised concerns that the government is gathering information on its opponents. The militant coalition, meanwhile, plans to stage rotating 24-hour strikes against Ontario's health-care cuts.

DOWN BUT NOT OUT

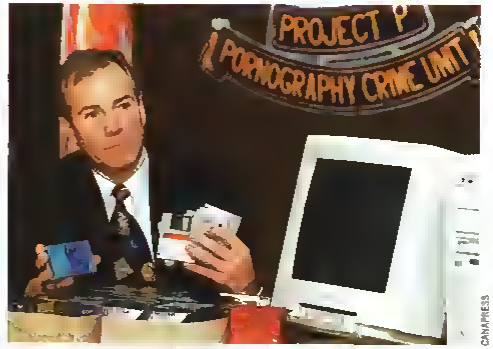
British Columbia's brash education minister, Moe Sihota, resigned, saying that unrelenting attacks by the opposition and reporters made it impossible for him to do his job. Sihota is the object of a conflict-of-interest investigation, but says he did nothing wrong by contacting a quasi-judicial body to inquire about the granting of a licence to a company partly owned by an acquaintance.

CHRISTMAS TAX GIFT

New Brunswick's Liberal government announced a $588-million tax break spread over the next three years, including a 10.2-per-cent income tax cut. The government also promised that the 1997-1998 fiscal year will end with a $25.6-million surplus.

HIGH-SCHOOL BRAWL

Four black students from Cole Harbour District High School in Nova Scotia face charges after a Christmas-dance fight between two girls—one white, the other black—escalated into a wild melee that drew more than two dozen police cruisers to the scene. Some witnesses said that the brawl, unlike a number of others at the school, was not racially motivated—and accused the police of targeting black students.



Matthews: hundreds of disks of 'almost every imaginable sex act'

Unearthing a den of child cyberporn

For Canada's beleaguered department of national defence, it was yet another embarrassment. Last week, the Ontario Provincial Police announced that they had recently raided a high-security branch of the department in Ottawa. There, police seized hundreds of computer disks containing more than 20,000 files of child pornography. The pictures, said Det. Staff Sgt. Bob Matthews, depicted pre-pubescent and pubescent children "involved in almost every imaginable sex act." And, he added, "I find it absolutely abhorrent that anyone can get any kind of sexual gratification out of children who are that young." Blair Evans, a 46-year-old physicist with the Defence Research Establishment, which develops electronic instruments used by the military, has been charged with making, possessing and distributing child pornography. The father of two is scheduled to appear in court on Jan. 2, and has been suspended without pay.

Police described the case as merely scratching the surface of a growing cyberporn problem. MPs, meanwhile, questioned the security of the defence department's computer system. Defence Minister Doug Young said he has ordered officials "to determine how we could control access," but cautioned that it is difficult to do so. Spokesmen for the scandal-ridden Canadian military were quick to distance themselves from the affair by pointing out that Evans was a civilian employee of the DND.

JUSTICE

More Airbus subpoenas

With the Jan. 6 opening of Brian Mulroney's $50-million libel suit against Ottawa fast approaching, the subpoenas flew fast and furious. Among those on the receiving end: Philip Mathias, a reporter with *The Financial Post*. On Nov. 18, 1995, Mathias, who has refused to reveal his sources, broke the story that Mulroney was under investigation for alleged kickbacks in the 1988 sale of Airbus jets to Air Canada, and published excerpts of a leaked justice department letter to Swiss authorities asking for their co-operation. Mulroney launched his lawsuit as a result of that letter, and Ottawa is trying to prove it was not the source of the leak. Also subpoenaed last week were William Thorsell, editor-in-chief of *The Globe and Mail* and a Mulroney supporter, and Luc Lavoie, the former prime minister's chief public relations agent.

Tough times at the CBC

When the axe fell, it took a lot of heads with it. In the CBC's latest round of budget slashing, the corporation announced that 996 radio and television staff will lose their jobs as of March 31. The layoffs—from a total CBC workforce of nearly 8,000—are due to $414 million in cuts introduced last year by the Liberal government of Jean Chrétien. Virtually all aspects of the Crown corporation are affected, with regional programming taking the hardest hit. Gone will be four Newfoundland TV programs, and three regional TV shows each in Saskatchewan and Manitoba. Nationally, the religious show *Meeting Place* will go off the air, as well as the media show *Undercurrents*, although its host, Wendy Mesley, will remain with the network. Also cut: the familiar voices of CBC Radio sports reporters Dwight Smith, Brian Dance and Suzanne Blake. The French-language wing of the CBC was similarly hard hit.

There was one bright spot. Foreign Affairs Minister Lloyd Axworthy and Heritage Minister Sheila Copps said $16 million will be found to keep Radio Canada International running for another year. RCI was due to close in March.



Police carry a demonstrator outside the Selection Committee meeting; Tung (right): consensual style

A question of trust

Critics say China's affable new leader for Hong Kong is too beholden to Beijing

BY CHRIS WOOD

Draped in red, and with a five-starred seal of China overlooking rows of white-skirted desks, the vast Hong Kong Convention Centre last week evoked the stifling formality of a Beijing committee room. Which, in a way, is exactly what it was. The 400 men and women who took their places shortly after 9 a.m. on Dec. 11 were there, after all, on Beijing's behalf. Their task: to select the man who will lead Hong Kong after Britain hands back its last major colony to China next July 1. Chinese Foreign Minister Qian Qichen, making only his second trip ever to Hong Kong, urged them to "live up to the trust of the people of all China, including Hong Kong." Three hours later, it was clear that most of those who cast ballots believed they had done just that.

The Beijing-appointed Selection Committee's overwhelming choice of former shipping magnate Tung Chee-hwa, 59, over two rivals in last week's runoff vote, surprised no one. Tung had led by a wide margin in a preliminary vote in November. Still, his lopsided victory might have seemed astonishing under most other circumstances. A burly grandfather with a bristling silver brush cut and a ready grin, Tung's political profile was negligible as recently as a year ago. He only reluctantly started campaigning for his new office in October.

But Tung comes well-equipped for his complex new mandate—if not actively groomed for it. His favored place in the eyes of China's Communist leadership was made clear in Beijing in January. At the end of a photo session, President Jiang Zemin broke away from his officials to single out Tung for a personal greeting and a warm handshake. With that telegraphed blessing in mind, a handful of protesters last week denounced Tung's selection as less a perfect fit than a perfect fix. After a candlelit vigil in the company of a mock Chinese tomb, intended to symbolize the death of democracy in Hong Kong, critics of the selection procedure waved placards outside the Convention Centre and scuffled with police. Among 29 protesters whom police carried away and arrested was outspoken pro-democracy activist Emily Lau. "Others have persuaded themselves that Mr. Tung is a nice guy," declared Lau, a member of the elected Legislative Council, which Beijing has promised to disband. "I think they are in for a nasty shock, as they will soon see him ruthlessly carrying out orders of the Chinese government."

In fact, shocks are the last thing that Tung wants to deliver. In his aptly named new role, Hong Kong's future "chief executive" must pass the same critical test in Beijing and at home: ensuring that the wheels do not fall off Hong Kong Inc. after its reversion to Chinese rule. For one thing, the territory accounts for 60 to 80 per cent of foreign investment on the mainland, an infusion that in turn powers China's booming export economy. Communist planners calculate that as long as the business-obsessed territory's 6.3 million inhabitants enjoy stability and continued prosperity—both touchstones of Tung's campaign—they will mute demands for fully democratic institutions and rigorously enforced civil rights. At the same time, a visible success in reasserting sovereignty over Hong Kong would help China advance an even dearer ambition: eventual reunification with Taiwan. There, the man best placed to sell Beijing's vision of reunification to the breakaway island province may again be Tung.

Seen in that light, his credentials seem ideal. He is well-connected internationally as well as in Taiwan and mainland China. Most of all, he is a charter member of Hong Kong's supremely influential business elite. Born in Shanghai on May 29, 1937, Tung lived there until his father, C. Y. Tung, moved his family and expanding shipping empire to Taiwan in 1949, ahead of the victorious Communists. The family remained in Taiwan for a decade, during which young Chee-hwa was sent away to schools, first in Hong Kong and later in Britain. While studying marine engineering at the University of Liverpool, he met and married a student nurse, Betty Chiu Hung-ping. After graduation, the young couple moved to the United States. By the time they returned to Hong Kong in 1969, Tung had acquired a passion for the San Francisco 49ers football team and was raising three American-born children (the couple now also has two granddaughters).



R. GARY CHUNG 2001 - CHINA FOTOS PRESS

But Tung's charmed life was thrown into turmoil in 1980, when he assumed control of the family shipping empire. The lingering effects of the oil crisis had combined with soaring interest rates and an overly ambitious fleet expansion to put the family business $3.6 billion in debt—and in danger of going under. To Tung's rescue came China, in the form of mainland backing for a $160-million bailout. By 1992, Orient Overseas (International) Ltd. had emerged from its difficulties and was once again expanding.

The company has significant operations in Canada. The initials of one subsidiary, Orient Overseas Container Lines, are a familiar sight on shipping containers moving by rail. In August, Tung travelled without fanfare to Montreal to attend the christening of OOCL Canada, a new addition to the company's fleet of giant container ships. Another subsidiary operates one large container terminal in Vancouver now, and will inaugurate a second next April. In October, Tung handed control of the $2.3-billion-a-year empire to his younger brother, Tung Chee-chen.

By then, Tung Chee-hwa had almost completed a low-key but thorough apprenticeship in the territory's government. It had begun in 1992, when Hong Kong's last British governor, Chris Patten, invited Tung to join his advisory Executive Council specifically to serve as a political conduit to Beijing. Tung eventually resigned the post after Beijing also named him last year to serve as a vice-chairman of the Preparatory Committee charged with creating Hong Kong's post-1997 power structure.

Admirers say that Tung brings formidable assets of integrity, energy and experience to his new tasks. Somewhat untypically for a Hong Kong magnate, his personal tastes are modest. Tung and his wife live in a four-bedroom apartment in a comfortable, but not opulent, older building. Until last week, Tung could occasionally be spotted practising tai-chi exercises in the parking lot, then driving himself to downtown appointments.

Tung takes great pride in his Chinese heritage—a sentiment that resonates among both the leadership in Beijing and ordinary Hong Kongers. But his deeply conservative Confucian views have also prompted concern among pro-democracy activists. During his campaign for the chief executive position, Tung called for Hong Kong schools to impart a greater measure of Chinese patriotism to students. While declaring that Hong Kong society had become "too politicized," Tung denounced the Democratic party, which won the largest number of seats in the 1995 legislative council election, as "anti-China," and told one interviewer "Americans have attached great importance to their rights. I think for us Chinese, obligations are more important." Observed Democratic party legislator Lee Wing-tat. "He wants everybody to respect the people in power."

Others worry that Tung's deferential philosophy, consensual political style and self-declared aversion to confrontation will make him a weak defender of Hong Kong under Chinese rule. Former chief justice Yang Ti-liang, Tung's closest rival in the election, asserted: "Our bottom line must be the Basic Law," which sets out Hong Kong's right to keep its capitalist economy and rule of law for 50 years after July 1, 1997. "Anything that goes beyond that, we have to learn to say no." But some question Tung's ability to stand up to the central government, especially given his corporate bailout. "I cannot see how he is in a position to say no to Beijing on any important issue," said Democratic party leader and legislator Martin Lee.

Despite the protests, Tung sets out with wide public support, according to campaign polls. He has already indicated a preference for continuity, inviting Anson Chan, the highly popular chief of Hong Kong's 18,000-member civil service, to remain on under his administration. Even last week's closely controlled "election" gave Hong Kongers more say in the choice of their leader than they enjoyed with any of the 28 appointed British governors who preceded him. Tung's challenge now is to live up to Foreign Minister Qian's admonition, and show that he can indeed serve both the people of China and of Hong Kong. □

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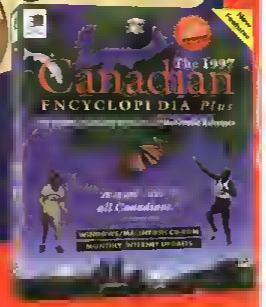
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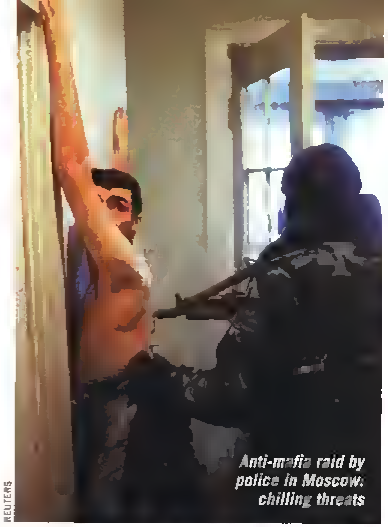
Doug Steele has a street-level view of business, Moscow-style. For the past year, the 45-year-old Haligonian has operated what is probably the city's most popular bar: The Hungry Duck. (Steele wanted to name the place after a popular Halifax bar called The Thirsty Duck but ran afoul of Russian liquor laws prohibiting names that might encourage drinking.) Every night, up to 1,000 young Russians and expatriates jam the place, dancing on bars and tabletops under Steele's easygoing management. But he is soberly aware of the potential dangers he faces. Paying protection money—"getting a roof" in local slang—is a given. But when a Chechen gang tried to roof over The Duck, Steele was ready for it. He had already made a protection deal with the professionals just up the street at the Lubyanka—the headquarters of the secret agency that most people still call the KGB. Says Steele: "The KGB are a lot more efficient than the mafia. Their guys have even helped us with our accounting."

The competition did not give up easily. Steele had to fight off a near-farcical kidnapping attempt in August. Four Chechens, one of whom wore a fake red beard and a false nose so Steele would not recognize him, tried to drag him into a car. More recently, he has received two threatening telephone calls. "One of my friends pointed out that people who are going to kill you don't call in advance," he says. This is the second bar Steele has opened in Moscow since he first arrived in 1992. He says he *likes* the excitement of a country reinventing itself. Just the same, he has beefed up his security and no longer goes for casual walks in the city.

Little wonder. Crime of all kinds, from street muggings to sophisticated white-collar scams, has risen dramatically since the end of Communist rule in 1991. "People are afraid to go out into the streets, to let their children out to play," said Prime Minister Viktor Chernomyrdin in a recent speech to senior policemen. "Crime presents a real threat to security, not just of individual citizens but of the entire state." Organized gangs have muscled in on business. Corruption reaches into virtually every corner of the government. Gangland-style murders of businessmen, politicians and journalists are commonplace. Moscow police recently accused a man and woman of dealing with their business rivals and employees who sought raises by killing 17 of them.

The figures on contract killings are chilling. While police solved 71 per cent of Russia's 29,000 murders last year, they closed the book on only 60, or about nine per cent, of the 560 professional hits. Half the victims—some killed for $200 or less—were businessmen or bankers. Another 40 per cent were members of criminal gangs.

Foreigners in Moscow no longer feel exempt. That bubble burst on Nov. 3, when Paul Tatum, an American businessman involved in an acrimonious dispute over the ownership of a top hotel, the Radisson Slavyanskaya, was shot dead in the centre of Moscow. "Tatum's death has put a chill down everyone's spine," says bar owner Steele. "Before that happened, there seemed to be an unwritten rule that foreigners weren't killed. Now, no one knows what might happen." Police have made little progress catching the masked killer who calmly fired 11 machine-gun bullets into 41-year-old Tatum as he and two bodyguards entered a subway station at dusk last month. No one in the crowd around the metro entrance has come forward as a witness. That


REUTERS

Anti-mafia raid by police in Moscow: chilling threats



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The Financial Post

would not be healthy in present-day Moscow.

A week after Tatum was gunned down, even jaded Russians were shocked when 14 people were blown to bits in a Moscow cemetery by a remote-controlled bomb. The victims were veterans of the 1979-1989 Soviet war in Afghanistan and their relatives, who had gathered to mark the second anniversary of the assassination of Mikhail Likhodi. He had headed a self-help group of war invalids that in 1991 received generous tax breaks from the government, allowing it to bring in goods from abroad duty-free.

The explosion, which killed Likhodi's successor, Sergei Trakhirov, illustrated the links between government policies and organized crime. The tax deal, which was meant to compensate aid organizations for a cash-strapped government's inability to pay for welfare, went badly wrong. The government lost millions of dollars in duties as a variety of associations imported vast amounts of alcohol, cigarettes and other popular goods. The Afghan vets' fund alone amassed at least $162 million in profits between 1991 and 1995. But the 14,000 eligible veterans received few benefits. As in other charitable associations, police say, organized crime groups moved in and fought for control of the cash. "It is well known that these organizations spend between two and five per cent on their ostensible activities," says Konstantin Borovoi, a well-known businessman who has himself survived at least two assassination attempts. "The rest all goes to bandits."

Surviving leaders of the Afghan foundation maintain that corrupt state officials could also have misused the trading privileges to launder dirty money and siphon off funds. Andrei Chipurnoi, a regional director, told *Maclean's* that the fund could not carry out transactions without the signature of a deputy prime minister, Yuri Yarov. Chipurnoi says he, Likhodi and Trakhirov met Yarov in 1994 in an attempt to find out where the money was going. "Now I am the only one left out of the three vets who were present at that meeting," says Chipurnoi. "I may be next."

The Afghan veterans lost their duty-free privileges this year due to pressure on the government from the International Monetary Fund. So did a sports fund formed to support Russia's Olympic athletes. Last June, Boris Fyodorov, then the sport fund's president, was stabbed and shot in an assassination attempt. He survived, largely because the would-be killer's pistol jammed after one shot. Fyodorov reappeared this fall with the sensational disclosure that Alexandr Korzhakov, until recently one of President Boris Yeltsin's closest allies and a longtime drinking pal, had tried to extort $54 million from the fund.

Far from denying it, Korzhakov described it as an attempt to keep some money away from Fyodorov—whom he accused in turn of looting $400 million from the fund. Kremlin officials have long believed that Korzhakov sought to shield himself from future prosecution by collecting compromising information on his colleagues through an extensive system of bugs and wiretaps. Recently, the muckraking daily *Moskovsky Komsomolets* published an apparent tape transcript of a conversation among Yeltsin aides indicating that their boss was fully aware his presidential campaign was funded by vast illegal contributions. Yeltsin's advisers denounced the transcript as a forgery concocted by Korzhakov. But to many Russians, the revelations simply illustrated the inner workings of their government.



MALCOLM GRAY/MACLEAN'S

Steele: kidnap foiled

In his recent speech, Chernomyrdin worried that many key resources, including gold, oil and diamonds, were falling under criminal control. But Chernomyrdin, too, has been dogged by reports that he has become rich by secretly amassing shares in Gazprom, the privatized natural gas monopoly. He also has firsthand knowledge of the crime wave. In April, his personal physician was killed in a mafia-style hit that police suspect resulted from a business deal gone sour. Three months later, the prime minister had a close call when a bomb exploded near the road to his cottage outside Moscow just before his motorcade swept past.

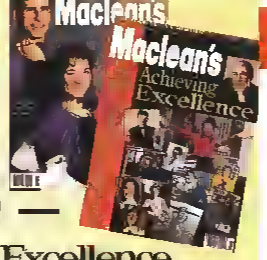
What is indisputable is that a former chief prosecutor and many other once-prominent officials are either in court, in jail or on the lam from criminal charges. They include Dimitri Jakobovsky, a 33-year-old lawyer and high-ranking security official who returned to Russia in 1993 from Toronto's luxurious Bridle Path neighborhood to work for Yeltsin. During his two years in Toronto, his $5.3-million home was raked with gunfire in a still unexplained incident. He recently received a five-year prison sentence for his role in an attempted theft of rare antique manuscripts worth hundreds of millions of dollars.

Alexander Lebed, the country's most popular politician, liked to call Russia "the land of thieves and criminals" during his fleeting tenure as the Kremlin's chief crime-buster. The former general was fired by Yeltsin in October for his overarching ambition, but he is still bent on becoming president in the next four years. On the evidence so far, crime is likely to remain a powerful campaign issue for the Mr. Clean of Russian politics.

MALCOLM GRAY *in Moscow*



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SEEKING A WAY OUT

Hardline Serbian President Slobodan Milosevic asked international monitors to review local election results that Belgrade overturned last month, evidently seeking to deflect Western criticism and perhaps bring an end to a month of opposition protests. At week's end, 200,000 people marched through the streets of the capital, the largest turnout to date. Earlier, a student was severely beaten by security forces after carrying an effigy of Milosevic.

NATO PLACATES RUSSIA

Moscow agreed to talks with NATO over new ties with the 16-nation Western alliance, but restated its opposition to the inclusion of central European states. At a meeting in Brussels, NATO's leadership vowed to go ahead with expansion and said it hopes to sign an agreement with Russia before former east-bloc states are formally invited to join at a summit next July.

TWA CRASH THEORY

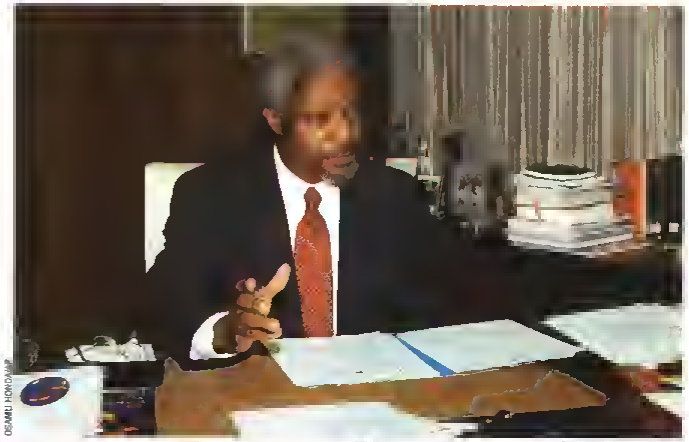
U.S. investigators suggested that static electricity may have created a fuel-tank explosion on TWA Flight 800, which crashed last July off Long Island, killing all 230 people aboard. The National Transportation Safety Board issued urgent recommendations to protect fuel tanks aboard Boeing 747s from heat and ignition sources, but said it had not yet reached a conclusion on the cause of the tragedy.

SADDAM'S SON ATTACKED

The elder son of Iraqi President Saddam Hussein survived a gun attack on his car. It was the third attempt on the life of Uday Hussein, 32, since the 1991 Gulf War. Iraqi dissidents in Jordan said 120 people were arrested at the scene last week. Uday is deeply involved in power struggles among the Iraqi elite and is believed to have played a role in the killing of Saddam's two sons-in-law last February.

CRACKDOWN IN BURMA

Burma's military junta arrested 860 people, effectively ending two weeks of freedom protests. The regime had earlier halted classes at two Rangoon universities after thousands of students demonstrated against police brutality and for more rights. The unrest was the worst since 1988, when the army crushed pro-democracy protests, killing thousands.



OSAMU HONDA/AP

Ghana's Annan: a perception that he was the candidate most favored by the United States

A UN insider gets the top job

In the end, the prize went to a soft-spoken, self-effacing career man. After four days of sometimes messy wrangling behind the scenes at United Nations headquarters in New York City, Kofi Annan of Ghana emerged as the organization's next secretary general. The 15-member Security Council reached what officials politely called "consensus" on Annan, after France dropped its objections to his nomination. The 185 members of the UN General Assembly must ratify the choice, but that is considered a formality. Annan has never sought the limelight, but he showed a flash of humor about France's insistence that any new secretary general must speak French. "I now speak English with a French accent," he said.

Annan will succeed Boutros Boutros-Ghali, the Egyptian diplomat whose hopes for a second five-year term were dashed when the United States vetoed his reappointment. Washington argued that Boutros-Ghali had dragged his heels on reforming the United Nations' sprawling international system. That difficult task will pass to Annan, who is to take over on Jan. 1. Now 58, he was educated partly in the United States (including an MA from the Massachusetts Institute of Technology) and has been a career UN official since 1962, serving in Ethiopia, Cairo and New York. Since March, 1993, he has been the undersecretary general for peacekeeping operations.

In that job, Annan played a key role in transforming the bureaucracy that oversees the organization's peacekeeping role. He changed it from a listening post that operated only during New York business hours into a round-the-clock, seven-day-a-week operation. Lewis MacKenzie, the retired Canadian general and peacekeeper who had criticized how the United Nations treated soldiers in the field, said Annan was sensitive to their needs. "He recognized that peacekeeping is not a sideline now," said MacKenzie.

Annan's tenure may be clouded by a perception that he was the candidate most favored by the United States. After Washington vetoed Boutros-Ghali, African nations insisted another African replace him. France—which has been critical of what it sees as the United States' tendency to impose its will on the United Nations—favored Amara Essy, foreign minister of the Ivory Coast. In the end, the 14 other members of the Security Council lined up behind Annan, and France agreed to go along.

Annan's early challenges will include the refugee crisis in Rwanda, Zaire and neighboring Tanzania. Last week, about 300,000 Rwandan refugees began trekking back towards their camp just over the border with Tanzania after soldiers stopped them from fleeing into the bush. Lt.-Gen. Maurice Baril, the Canadian in charge of the multinational UN force in Zaire, said the mass return of refugees will allow Canadian troops to leave the country by Dec. 31. Meanwhile, Canadian envoy Raymond Chrétien ended his four-week UN mission to the region by recommending to Boutros-Ghali that the United Nations appoint a special representative to Central Africa to deal with the humanitarian crisis. "It's not an easy task—my whole mission was very painful," Chrétien said. "Whoever undertakes it will feel the pain." Annan, too, will no doubt feel that way at times as he gets into his tough new job.



Business

Gift wrapping in Toronto: store owners are in a merrier mood

PHOTO: JAN CHRISTOPHER SMITH

The spending spirit

Retail sales are finally picking up

It's make-or-break time at "Canada's Family Clothing Store." In a Thunder Bay, Ont., branch of Saan Stores Ltd., green garlands, snowflakes and bells hang from the ceiling, traditional Yuletide tunes waft through the air, and one clerk is wearing a jaunty Santa cap. At the head office of the 250-store chain in Winnipeg, president Sheldon Altman cannot help but feel like a fidgety kid on Christmas Eve. "December is still the biggest month of the year for us," says Altman. After a lacklustre season in 1995, however, he seems confident that St. Nick will not forget Saan Stores this time around. "I think sales will turn out to be better than last year," he predicts. "At this point, I would say we're cautiously optimistic."

As recently as a few weeks ago, analysts were forecasting a much less merry holiday shopping season. A poll of 1,200 consumers by Arthur Anderson & Co. in October found that only 14 per cent planned to spend more on Christmas gifts than in 1995, while 28 per cent intended to spend less. Yet as Dec. 25 draws near, the festive—and unexpectedly frequent—ringing of cash registers has raised shopkeepers' spirits. According to a study released last week by the Retail Council of Canada, 41 per cent of small retailers are enjoying increased sales this season over 1995. Twenty-eight per cent of those polled said their receipts were about the same, while 29 per cent reported lower sales. "There seems to be a bit of a resurgence [in spending] across the land," says Randy Scotland, a spokesman for the council. Larger retailers are feeling it, too. "People are a little more interested in buying," says Eric Ommundsen, a spokesman for Future Shop, the Vancouver-based consumer electronics chain. "If they see the opportunity they want, they're willing to spend."

Not that anyone is expecting the sort of double-digit leaps in revenue that retailers experienced in the 1980s—"when everybody seemed to be shopping like mad fools," as Scotland puts it. But compared with the dismal 2.9-per-cent drop in December sales between 1994 and 1995, the outlook is almost rosy. Reversing last year's loss, retail receipts this month should climb four to five per cent over December, 1995, predicts Len Kubas, a Toronto-based consultant.

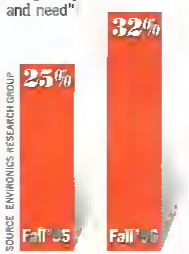
It promises to be a more profitable Christmas, as well. Already, the combination of more shoppers and tighter inventories has helped store owners avoid the panicked, pre-Christmas price-slashing they resorted to last year in a vain attempt to attract business. "Retailers have resisted the temptation to get too much into the early sales," says Jim Okamura, an analyst with the J.C. Williams Group, a retail consulting firm. The deep discounts are few and far between at stores such as Mills Brothers in Halifax, an upscale clothing and gift shop that opened its doors in 1919. "We're controlling our markdowns from last year," says finance director David Nicholson, who expects Mills Brothers to boost its sales by three per cent this month.

A modest improvement in the previously moribund apparel sector is one of this season's pleasant surprises, says Okamura. Overall, "most categories are actually showing positive numbers, which is really encouraging," adds Kubas. "And the numbers are not just in the big markets—they're holding up across the country." As far as gifts go, practicality is popular this season, with winter clothing, power tools and carpets selling well, the Retail Council says. Luxury items, such as perfume and designer fashions, are strong, along with snowboards and home-entertainment systems. Okamura's list also includes computer equipment and books.

Some observers believe the upswing in spending signals a long-awaited revival in consumer confidence. Donna Dasko, vice-president of the market research firm Environics Research Group, said that a quarterly survey presented to her clients last week showed a marked change in consumer attitudes. Asked whether it is now "a good time or a bad time to buy the things you want and need," 32 per cent of the 2,000 respondents answered yes, while 47 per cent said no. Although the overall mood was pessimistic, those figures are a far cry from the early 1990s, when as many as two-thirds of those surveyed responded in the negative. As recently as last year, over half said it was a bad time to buy while 25 per cent thought conditions were favorable. "This is the first quarter in a very long time, probably in years, where I've seen a noticeable improvement in consumer confidence," Dasko said.

A RETAIL RECOVERY?

Percentage of 2,000 Canadians polled who agree that now is a good time to buy the things they "want and need"



SOURCE: ENVIRONICS RESEARCH GROUP

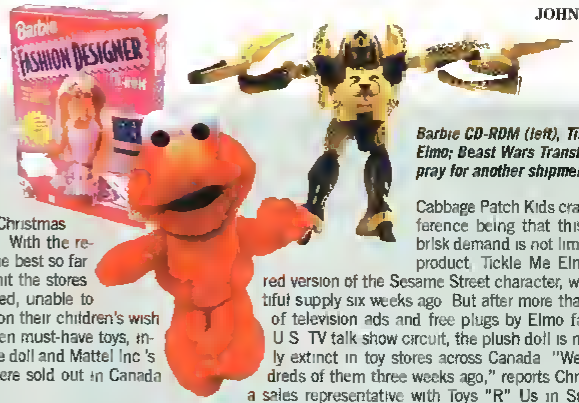
The pickup in spending is not confined to Canada. For months now, U.S. and British consumers have been on a buying spree, and as the holidays approach, they are shopping up a storm. In the United States, where consumer confidence now stands at an eight-year high, retail sales rose 0.8 per cent in the first week of December over the previous seven days, a sharper increase than in the same period in 1995. In fact, some investors worry that the economy may be overheating, which could prompt the U.S. Federal Reserve to raise interest rates in a bid to constrain growth. In Britain, pre-Christmas sales are up 10 per cent from last year. At Selfridges, a popular department store in London's West End, staff periodically turn off the escalators to keep customers from trampling one another in the crush.

The mood among Canadian consumers is nowhere near as buoyant. But all the elements are in place for a continued recovery in spending in 1997 and beyond, analysts say. For starters, Canadians appear much more confident about the country's future, says Kubas. A year ago, in the wake of the Quebec referendum, many people were uncertain whether the country would even be around in 12 months. Since then, the issue has faded from the political agenda, meanwhile, interest rates are at their lowest point in more than 30 years and housing sales are strong—often a precursor of higher spending on appliances, furniture and other household goods. "There's usually about a six-month lag between a pickup in housing sales and increased sales of things for the home," says Okamura.

The final verdict on retail sales this season—and whether consumer confidence really is rising from the ashes—will not be known until Christmas and the mammoth Boxing Day sales that follow. Okamura says the importance of the holiday period to retailers has grown steadily over the years, as time-pressed shoppers increasingly leave their buying to the last minute. "We're hoping," says the Retail Council's Scotland, "that at the end of the day Canadians have more stuff under their Christmas trees this year." And that merchants have a little more money in their tills.

JOHN SCHOFIELD

The must-have toys of 1996



Barbie CD-ROM (left), Tickle Me Elmo; Beast Wars Transformer: pray for another shipment

Toy shopping for many parents this Christmas is war—Beast Wars, to be precise. With the retail season shaping up to be one of the best so far this decade, even some people who hit the stores early have returned home disappointed, unable to find some of the most coveted items on their children's wish lists. By last week, at least half a dozen must-have toys, including Hasbro Inc.'s Baby Go Bye Bye doll and Mattel Inc.'s Barbie Fashion Designer CD-ROM, were sold out in Canada and on back order.

Nothing is hotter in the $900-million Canadian toy market this year than Hasbro's Beast Wars Transformers, a collection of animal figures based on the made-in-Canada kids' show *Beasties*. "They're noisy, bright-colored and fast-paced—everything boys 6 to 11 love," says Donna Prasentini, communications manager for Hasbro Canada Inc. of Longueuil, Que.

Some toy sellers compare this year's scramble to the 1983 Cabbage Patch Kids craze, the difference being that this time the brisk demand is not limited to one product. Tickle Me Elmo, a furry red version of the Sesame Street character, was in plentiful supply six weeks ago. But after more than a month of television ads and free plugs by Elmo fans on the U.S. TV talk show circuit, the plush doll is now virtually extinct in toy stores across Canada. "We had hundreds of them three weeks ago," reports Christina Lee, a sales representative with Toys "R" Us in Surrey, B.C. "We're now sold out."

So what is a desperate parent to do? "I'd recommend that you get something else," said one Wal-Mart clerk in Toronto. "Or pray we get a miracle and another toy shipment from China." For some parents, the battle has just begun.

JULIE CAZZIN



Canadian Airlines pilots in a Boeing 737: a new strategy

BUSINESS

CAI's new flight path

The daily exit log at the headquarters of Canadian Airlines International in downtown Calgary is a testament to the company's determination to stay in business. Most days, senior vice-president of marketing and sales Barbara Amster is one of the last to leave, regularly working in her 30th floor office until the small hours of the morning. No wonder. Now that the airline has finally reached a cost-cutting deal with its six unions, Amster has emerged as a pivotal behind-the-scenes player. While CEO Kevin Benson looks after negotiations with the company's creditors, Amster's task is to design a day-to-day business strategy that can turn the airline from a perennial money loser into a high-flying financial success.

If anyone is up to the job, her CAI colleagues say, it is Amster. In a 30-year career beginning as a reservations agent with American Airlines in New York City, Amster has become legendary for her expertise in what is termed "yield management"—the constant juggling of complex fare structures in order to maximize a carrier's returns. Not bad for a liberal arts major who admits that math was her worst subject and dropped out of Queens College in New York City before finishing her degree. "She's a pistol—there's no doubt about it," says airline analyst Rick Erickson of Calgary. The first elements in Amster's strategy were revealed last week with the announcement of a marketing plan that includes double frequent-flyer points and a holiday season seat sale. More is expected this week, when the airline is schedule to announce its summer route schedule, which will include new flights to U.S. destinations and more frequent service to Asia.

As the executive in charge of maximizing Canadian's returns from every flight, Amster's task is crucial. In industry terms, seats are a perishable good. After a plane pulls away from a gate without a full passenger load, the empty seats cannot be put back into inventory. "Yield management in its simplest terms is shelf-stocking for airlines," explains Amster, 49. "It means you take a flight and understand all the possible destinations for passengers, evaluate the alternatives and then make the seats available that leave you with the most revenue on board." With dozens of fare levels available on every flight, the task can be mind-boggling. Fare structures are devised not only in accordance with past demand, but also in line with forecasts of how passenger traffic might change based on everything from international currency fluctuations to political events around the world. "It really is an art," says Amster, who joined Canadian in August, 1995, from AMR Corp., the parent company of American Airlines, which owns 33 per cent of Canadian Airlines.

In spite of those efforts, however, some observers are convinced that better yield management and an expansion of the airline's international routes will not be enough to save Canadian. Veteran airline analyst Jacques Kavafian of Toronto-based Research Capital Corp. issued a report last week declaring that a merger with archrival Air Canada is Canada's only hope for survival, adding that such a move could take place by mid-1997. "Strictly putting one and one together, there's no way Canadian is going to make it on its own," Kavafian said. "It just doesn't make sense what they're talking about. I really believe a merger is inevitable—by late summer, maybe even before that."

Kavafian is particularly skeptical about Canadian's claim that it is well-positioned for future growth because of its Vancouver hub and its alliance with American Airlines to capitalize on the expanding market for flights between North America and the Far East. He notes that while traffic between Vancouver and Hong Kong increased to an estimated 600,000 passengers this year from 360,000 in 1989, almost all of the growth has been captured by Cathay Pacific, which has far more capacity. (Canadian has nine flights a week to Hong Kong, while Cathay Pacific boasts 21.) By contrast, Canadian has not taken delivery of a new plane since May, 1995, and the chances that it will be able to buy or lease new aircraft in the foreseeable future seem remote given its current financial crunch. "Canadian keeps saying it wants to concentrate on Asia, but they simply don't have the aircraft," Kavafian says. Air Canada, on the other hand, is now averaging delivery of two new aircraft a month, Erickson says.

One analyst foresees a merger by mid-1997

Such grim forecasts, however, do not appear to faze Amster. Last summer, she cancelled Canadian Airlines' flights to Paris and Frankfurt and announced plans to service some domestic routes with smaller planes. Amster says the purpose was to free up several larger aircraft for expanded service to the United States and Asia. "In the short term, we have more than sufficient equipment," she adds. The challenge now is to make sure that every seat sells, at the highest possible price. In other words, Amster and her staff will have to find a way to accomplish something that Canadian Airlines has not done since 1988: earn a profit.

DALE EISLER *in Calgary*

Ross Laver



Personal Business

Life in 'the zero era'

To describe the 1990s as a period of wrenching economic change is merely to state the obvious, the hard part is deciding which of the forces now transforming the lives of ordinary people will have the most far-reaching consequences. Will it be globalization? Or the drive to rein in government spending and deficits? How about the huge wave of corporate restructuring, which in a few short years has wiped out millions of previously secure jobs?

None of the above, says Roger Bootle, a London-based economist and adviser to British Prime Minister John Major. In Bootle's estimation, the decade's most important economic trend is the end of inflation and the beginning of what he calls "the zero era." Throughout the West, he says, powerful structural changes—new labor-saving technology, weaker unions, deregulation and increased competition—have made it harder for workers to push up wages and for companies to raise prices. At 2.1 per cent, the average inflation rate in the seven biggest industrial economies is now at its lowest level in 30 years. While some regard this as an aberration, Bootle sees it as the prelude to a new age in which prices, as well as incomes, will fall as often as they rise, leaving the average price level unchanged over long periods.

The transition to price stability will create as much havoc and confusion as did inflation itself

Bootle's thesis, detailed in his book *The Death of Inflation*, is nothing if not controversial. Is inflation really dead, or is it just resting—ready to rise again as the economy gathers speed? The fact that share prices plummet every time the markets get a whiff of strong economic growth—which could prompt central banks to raise interest rates—is a clear sign that many investors still view inflation as a threat.

But if Bootle's analysis is correct, the dawning age of low or non-existent inflation is going to demand major adjustments in people's economic and financial thinking. For decades, workers have been conditioned to expect annual pay hikes, just as business owners have counted on steadily rising prices. The end of inflation, Bootle says, creates an entirely new set of challenges which consumers, investors and companies ignore at their peril.

An example is the impact of price stability on the housing market. As long as there was persistent inflation, it made sense for home-buyers to purchase the most expensive houses they could afford, safe in the knowledge that rising incomes would gradually erode the relative burden of their mortgages. In the new world, Bootle says, "housing is still likely to be a reasonably good store of value, but will be far from the money-spinner of yesterday." His advice is to avoid borrowing heavily for real estate and to treat property like any other major purchase, not as a speculative investment.

Similarly, Bootle says the death of inflation will have serious repercussions for collectors of art and antiques, postage stamps, coins and other non-income-producing assets. Inflation allowed a speculative culture to grow up around those items, but in the future only the most highly prized collectibles will produce a decent return. The rest will simply hold their price or depreciate, since—like gold—they will no longer have any value as a form of insurance against the ravages of inflation.

Bootle's point is that the transition to price stability will create as much havoc and confusion as did the emergence of inflation after the Second World War. How to protect yourself in such circumstances? Ultimately, the best hope for long-term returns rests with the stock market, he says. Lacking the artificial stimulus of inflation, share prices can be expected to rise more slowly than in the past, but that makes no difference to real returns. What does matter is that zero inflation should make possible a faster rate of economic growth for a sustained period. Without the distortions and illusions caused by rising prices, individuals and companies will be better equipped to plan for the future and to invest for the longer term. The winners, Bootle says, will be those who adapt quickly to the zero era, rather than clinging to the old ways of perpetual inflation.



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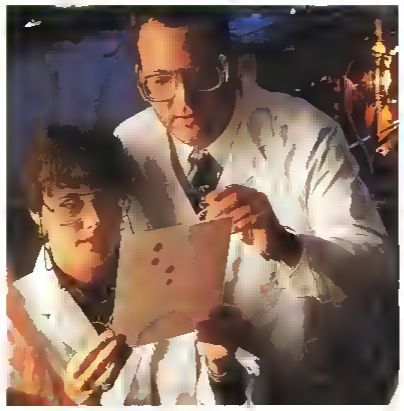
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Business NOTES

GERMANS INDICT LOPEZ

German prosecutors charged former General Motors executive José Ignacio Lopez with betraying trade secrets. The indictments support GM's claim that Lopez turned over GM production secrets when he defected to Volkswagen AG in 1993. Lawyers for Lopez deny the allegations.

MASSIVE TRADE DEAL

Twenty-eight countries, including Canada, agreed to eliminate tariffs on $800 billion worth of information technology by the year 2000. The deal, which covers everything from fibre-optic cable to computers, emerged from the inaugural ministerial meeting of the World Trade Organization in Singapore.

IRAQI OIL HITS MARKET

Petroleum prices eased as Iraq resumed exports of crude oil after a six-year United Nations ban. Before the Gulf War in 1991, Iraq was shipping 3.5 million barrels a day. Under a new UN deal, Iraq will be allowed to sell about 650,000 barrels a day over the next six months to pay for food and humanitarian aid.

BRE-X HOLDS OUT

The Indonesian government extended to the end of December the deadline by which Canada's Bre-X Minerals Ltd. and Barrick Gold Corp. must agree on a joint venture to mine one of the world's biggest gold deposits. A government official said the two companies had originally agreed on terms, but that "for unknown reasons Bre-X rejected them."

CP RAIL CUTS BACK

CP Rail may lay off 1,300 employees east of Thunder Bay in an effort to make its eastern division profitable. CP Rail president Robert Ritchie said that several short-line railways have expressed an interest in buying part or all of the eastern network, but the company is not interested in selling.

BARSHEFSKY NOMINATED

President Bill Clinton nominated acting U.S. Trade Representative Charlene Barshefsky, a lawyer, to assume the role officially. Analysts say the appointment could face opposition from the Senate because she previously represented Canadian lumber producers in a dispute with the United States.

Rich rewards for bankers



MACLEAN'S

Barrett in 1990: an average $74,000 a week

Record profits produced a record payday for Matthew Barrett, the chairman and CEO of the Bank of Montreal. Two weeks after announcing a $1.17-billion bottom line for the year that ended on Oct. 31, the country's third-largest bank revealed that Barrett, 52, collected $3.9 million during the 12-month period, a record for the industry. That beats the previous high of $3.5 million received by Dominic D'Alessandro in 1994 when he was chief executive of the Laurentian Bank of Canada. D'Alessandro, now CEO of Manufacturers Life Insurance Co., reaped most of his windfall when the company cancelled a stock-option program.

Barrett's income amounts to more than $74,000 a week, 123 times greater than the $600 earned each week by the average Canadian full-time industrial worker. He made $1.6 million of the total by exercising stock appreciation rights. He also regained bragging rights as the Bank of Montreal's highest-paid executive, surpassing last year's leader, Brian Steck. Steck, chairman of the investment-banking unit Nesbitt Burns Inc., made just under $3 million in fiscal 1996.

The rest of Canada's big banks will disclose the salaries of their five highest paid executives in the coming weeks. Frank Stronach, chairman of auto-parts maker Magna International Inc., was the best-paid executive last year, with a total pay package of $47.2 million.

Ovitz leaves Disney

Hollywood power broker Michael Ovitz resigned as president of Walt Disney Co. after a rocky 16-month partnership with chairman Michael Eisner. Insiders said the two men—renowned for their oversized egos—had repeatedly failed to agree on an appropriate role at Disney for Ovitz. Before joining the company in August, 1995, Ovitz headed the Creative Artists Agency and was touted as "the most powerful man in Hollywood." Although he and Eisner were old friends, many observers doubted from the start whether two such forceful executives could work out a power-sharing arrangement. Still, Ovitz insisted that he was leaving Disney on good terms. He is certainly not leaving empty-handed: his severance package is worth an estimated $120 million.

FINANCIAL OUTLOOK

Home resales hit an all-time high in November. Buoyed by low interest rates, Canadians bought 22,559 houses, 8.6 per cent more than the previous record in May, 1988. And housing starts posted their best performance in two years, leaping to an annual rate of 138,000 units. That compares with last year's 111,000 starts, a 35-year low.

Signs of faster growth contributed to a sell-off on North American stock markets. The TSE 300 index lost 103 points over the week, while the Dow Jones industrial average shed 77 points. Investors feared that the U.S. Federal Reserve Board would hike its key lending rate this week to keep the economy from overheating.

HOUSING STARTS
Percentage increase in new home construction (Oct.-Nov., 1996)



SOURCE: CMHC

"Real estate markets are tight, no more so than in Toronto, where the backlog of unsold homes has been sliced to a mere three months' supply. The last time things were close to being this tight—late 1988—average home prices were up more than 10 per cent the following year."

—Nesbitt Burns

"Home building has been providing a significant lift to Canadian economic activity. Residential construction has fuelled nearly half the growth in real GDP since the beginning of the year, though it accounts for only about five per cent of economic output."

—Scotiabank



Peter C. Newman

Thumbs down to Izzy Asper's national dream

While national attention is riveted on the death throes of the CBC, another, equally significant, struggle over the future of Canadian television is being waged in Alberta. Last month, the Canadian Radio-television and Telecommunications Commission awarded the last available Calgary-Edmonton TV licence to Craig Broadcasting of Brandon, Man., a spunky local operation with large ambitions and little creative clout. In so doing, the Ottawa regulators have altered the strategic direction of the Canadian broadcasting system, destroying the last chance for an urgently needed third national network.

By rejecting the competing application of Izzy Asper's CanWest Global Communications Corp., the CRTC has made it impossible for him to complete the network he has been struggling to build for the past 19 years. Apart from depriving Canadians of a program alternative, the decision has serious, potentially terminal consequences for the TV production industry, already hurt by the decimation of the CBC. "The commission's decision," wrote Asper in his appeal to the Chrétien cabinet, "has destined the Canadian television production industry to long-term domination by foreign broadcasting companies that have absolutely no interest in the pursuit of Canadian cultural goals. High quality programming of export calibre cannot be developed by uncoordinated and frequently haphazard efforts of local independent and unrelated studios scattered across Canada with conflicting corporate agendas."

> The CRTC has deprived Canadians of an alternative and could destroy the TV production industry

At the moment, Canada is the only OECD country that doesn't have at least three networks. The U.S. has six, the U.K. five. Ironically, Asper's international TV operations have recently been granted the right to run national networks in Australia and New Zealand. In Canada, Asper owns stations in Ontario (through the Global network), Vancouver, Saskatoon, Regina, Winnipeg, Saint John and Halifax.

"Countries are built and nations are united by national bonds," Asper told me last week. "Sometimes those bonds are made of steel, like railways or pipelines, sometimes they're common affection to a Queen—or whatever. Any new national broadcasting system can be a significant social device for achieving a greater sense of nationhood. The people of Alberta are thought of in Toronto and other parts of the country as rednecks who inhabit a backwater prairie. Similarly, what most of us in western Canada know about Quebec is what the CBC has hysterically been trying to tell us, and yet when you peel back the hyperbole, you see a completely different picture. That's why we need another national window."

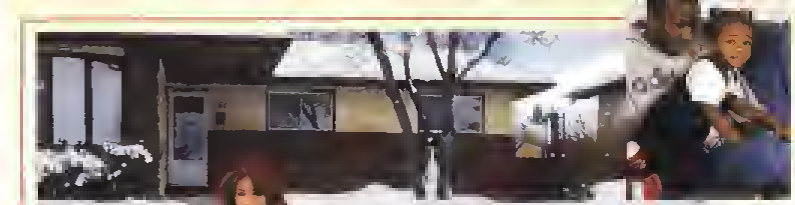
Certainly, Canada's TV production industry is solidly behind Asper's cabinet petition. Among many others, Andy Thomson, the head of Great North Communications, Alberta's largest producer and distributor of TV programming, leaves no doubt where he stands. "The one Canadian private broadcaster who has clearly made a commitment to high-quality, distinctively Canadian programming, far beyond its condition of licence, is CanWest," he says. "While they've long had a reputation of being one of the most successful purchasers of U.S. programming, they are now using the resources gained from those operations to effectively benefit Canadian producers and Canadian audiences."

Asper's companies spend $54 million annually (more than CTV) on original Canadian programs, with such winning series as *Traders*, *Ready or Not*, *Madison* and *Jake and the Kid*—the endearing W.O. Mitchell adaptation currently shown in 18 countries and every Canadian province except Alberta, where it is filmed. Had he won approval of the Alberta licence (and his bid to take over CKMI-TV in Quebec City), Asper had committed himself to spend $165 million on drama and variety programs alone—triggering Canadian productions worth $1 billion. He had also pledged to produce 100 new half-hour children's shows, a national supper-hour news broadcast and several new public affairs shows. "This country has got to develop a new pride and respect for itself," he emphasizes, "and the best way we can do that is with more TV public affairs and documentary programming."

With the 500-channel universe just around the corner, the existence of an investor willing to finance and operate a national network is too great an opportunity to abandon as lightly as the CRTC appears to have done by awarding Craig the key Alberta licence strictly on the grounds of its pledges to increase local programming. Unless the Chrétien cabinet asks the CRTC to take another run at the issue, Craig is pledged to provide its viewers with 31 hours of original programs per week on each of its Edmonton and Calgary outlets, including an astounding 26 original long-form drama productions a year.

While this would certainly supply work for Alberta's arts community, such local observers as Douglas Lauchlan of the Calgary Centre for the Performing Arts have pointed out that "the city doesn't need further opportunity to talk to itself. It's the CanWest application which holds the promise of creating opportunities for this city to participate meaningfully in national dialogue. That's what's important to Calgary and to Canada."

Izzy Asper is a good Canadian who wants to be a great Canadian. But without the economies of scale provided by a network, he will not continue funding the kind of high-style original Canadian TV productions we need in this country. The Chrétien government's destruction of the CBC is unconscionable, but by reversing the CRTC's ruling in Alberta, it would at least allow us to continue the East-West dialogue so essential to Canada's future.















THE 1996 HONOR ROLL

A salute to extraordinary Canadian achievers

They arrived from St. John's, Nfld., Ottawa and Vancouver... and they had come together to celebrate the 10th anniversary of the *Maclean's* Honor Roll. The reception, part of a series held in five cities across Canada, was a star-studded affair, a public tribute to the 1995 honorees as well as past members from every Honor Roll since 1986 when *Maclean's* began its annual recognition of Canadians who made a difference.

There was warm applause as each honoree, past and present, was introduced. But the most enthusiastic reception that Toronto evening in June went not to an entertainer or a celebrity, but to 31-year-old Thomas Hoppe, a former sergeant from Vancouver, who risked his life several times to save the lives of others while serving with the Canadian Forces in Bosnia.

Similar acts of bravery mark the exploits of several members of the 1996 Honor Roll. They include Master Cpl. **Rob Fisher**, who dangled from a helicopter in the middle of the night over the angry North Atlantic to rescue 30 sailors on a stricken Greek freighter.

There is **Craig Kielburger**, just 13, who defied world leaders to draw attention to the plight of enslaved child laborers. **Carole Lafrance** showed courage of another sort as she rose to become the first woman to chair the Canadian Chamber of Commerce. Rowers **Marnie McBean** and **Kathleen Heddle** overcame adversity to win an unprecedented three Olympic gold medals.

Sprinter **Donovan Bailey** can also take pride in his 1996 achievements—a world record and two gold medals. **William Hutt** and **Martha Henry** are Olympians of another sort, dominating figures in the world of theatre. And in the pop music field, **Jann Arden** is rapidly accumulating similar recognition and awards.

Other Honor Roll members are making names for themselves with less publicity. Immunologist Dr. **Tak Mak** is on the verge of a major breakthrough in the fight against cancer, while **Mary Simon**, Canada's first ambassador for circumpolar affairs, works tirelessly for the North. Meanwhile, unconventional businessman **Ted Newall** is honored for redefining the responsibilities of the CEO.

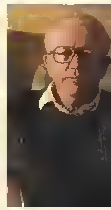
A strong feature of the Honor Roll has been the people who work quietly to improve their own communities. **Myriam Laberge** of Vancouver, galvanized by the near loss of Quebec, started a grassroots national unity movement, while **Bruce Craig**, an enthusiastic elementary schoolteacher, inspires an entire new generation.

Appropriately, the bronze medal by Toronto artist Dora de Pédery-Hunt that all Honor Roll members receive depicts Pegasus, the mythic winged horse that inspired creative achievement and good works.

MICHAEL BENEDICT



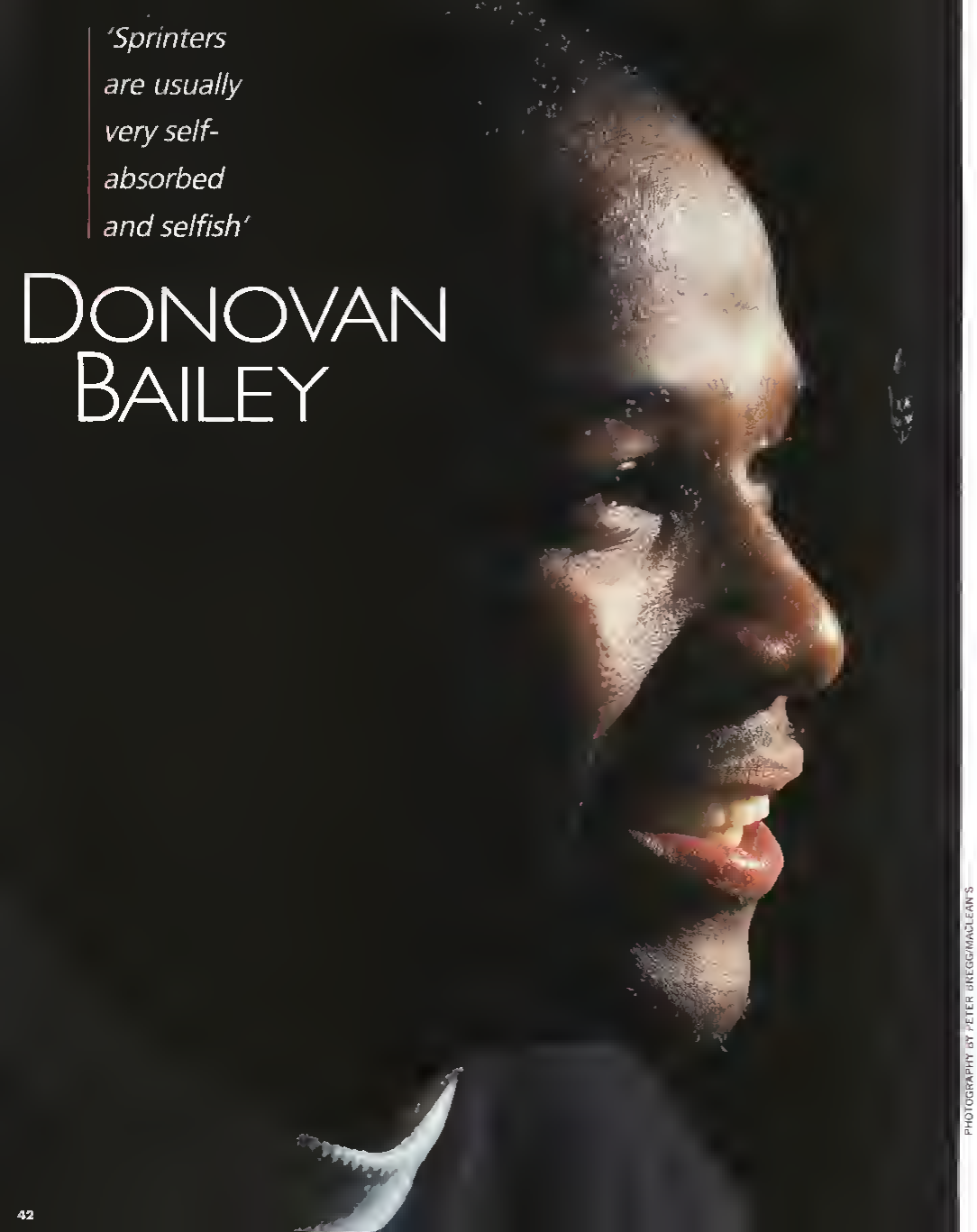






'Sprinters are usually very self-absorbed and selfish'

DONOVAN BAILEY



PHOTOGRAPHY BY PETER BREGG/MACLEAN'S

Donovan Bailey's house says a lot about its owner. The new two-storey brick home backs onto a leafy ravine in Oakville, Ont., just west of Toronto, giving him the privacy he wanted—"It's kind of like a little gated community in here," he says. The sprinter was training in Texas when the house deal closed last May, but he agonized over every detail, even the driveway. Instead of asphalt, he bought interlocking beige bricks to match the house itself. Inside, he and his companion of three years, Michelle Mullin, of London, have not yet fully furnished every room, but they have meticulously outfitted heavy-traffic areas such as the den, with its plush leather sofa, big-screen TV and framed prints of jazz greats Miles Davis and John Coltrane. Bailey laughs when a visitor suggests the house is beginning to look settled. Plotted on an atlas, his 1996 schedule would look like an airline route map. "I like having a home, a real home," he says. "But I don't stay in one place too long."

Little wonder. At the Atlanta Olympics last summer, in front of a worldwide TV audience of more than one billion people, Bailey defeated the best 100-m field in history, and set a new world record of 9.84 seconds in the process. The 29-year-old native of Manchester, Jamaica, who moved to Oakville when he was 12, later joined with Robert Esmie, Glenroy Gilbert and Bruny Surin to win the 4 x 100-m relay. Those triumphs were celebrated wildly in Canada, but Bailey had little time to join in. From Atlanta, he embarked on a gruelling schedule of meets from Europe to the Far East. Last month, after a few weeks at home, he returned to Austin, Tex., to begin training for the 1997 season.

A shy man leading a public life, Bailey can be confounding. He is keenly interested in the business of sport, yet he has refused interview requests from U.S. magazines and TV networks that would have gained him—and his sponsors—a windfall of exposure. He has no trouble performing in front of thousands at a stadium, yet gets nervous when asked to give short speeches before only dozens of people at sponsors' functions. "I was born in a small town in Jamaica and I grew up in a small town in Canada," he says. "It's my nature."

Shy perhaps, but not meek. The sprint world is filled with chest-thumping mercenaries and, while he is more easygoing than most, Bailey is no choir-boy. No one succeeds in the withering heat of a 100-m race without a killer instinct. "Sprinters are usually very self-absorbed and selfish," he says. "I am that way sometimes, too." His immediate ambitions are to beat American Michael Johnson in a 150-m match race next spring, and to set the world relay record with Surin, Gilbert and Esmie at next summer's world championships in Athens. "We're like brothers now," he says. His long-term goal, however, might just keep him going until the 2000 Games in Sydney, Australia. "Running the perfect race—that's what I shoot for," he says. "And I haven't run even close to that yet."



At home, his transition from gunslinger to regular guy is enforced by the couple's daughter, two-year-old Adriana. Waking up from an afternoon nap, she immediately climbs onto her father's lap and the interview stops. "At first, I didn't see myself being a father," he says softly. "But it's amazing how quickly you become Mr. Bailey." The sprint king, it seems, does everything quickly.

JAMES DEACON

TAK MAK

The man hasn't been to the movies for years and he rarely takes a vacation. "Basically, I work around the clock," says Tak Mak, one of Canada's pre-eminent scientists and director of Toronto's Amgen Institute, where more than 40 researchers strive to push back the frontiers of medical knowledge. Mak's idea of fun is to answer the 100 or so e-mail messages that pour into his computer every day, digest stacks of scientific journals and talk endlessly with fellow scientists and anyone else who is interested about his favorite subject: science. While doing this, Mak oversees dozens of research projects. "I push myself hard," says the slight 50-year-old. "I almost take on more than I can handle, and then push myself to get it done."

Over the past dozen years, Mak's brilliance as an immunologist has vaulted him into the top echelons of cancer research. He travels frequently to address learned gatherings: in a three-week period in June, Mak spoke at meetings in Sweden, France, Germany, the United States and Canada. In the same month, he became the first Canadian to win the coveted Sloan Prize, sharing the $136,000 award with Stanford University's Mark Davis for deciphering the mechanism that enables a key component in the immune system to identify viruses, bacteria and cancer cells. Since that 1984 breakthrough, Mak and Amgen have dazzled the scientific world with findings that shed new light on the immune system and on the building blocks of cancer. "The trick," says Mak, "is to learn how the body's machinery works, so that we can eventually fix it."

Born in southern China and raised in Hong Kong, Mak attributes his drive to events in his early life: his businessman father lost a fortune as a result of the 1949 Communist takeover. "Knowing that," Mak says, "gave me the drive to kind of recoup those losses, but in a different way." The different way was science. When he was 15, Mak moved alone to Madison, Wis., where he entered the University of Wisconsin the next year. Attracted to the University of Alberta by scientific work being done there, Mak was just 24 when he emerged with a PhD in biochemistry in 1971.

Recruited upon graduation by the Ontario Cancer Institute in Toronto, Mak began to build an international reputation that led to a crisis of sorts. After his 1984 discovery, he received dozens of job offers, and in 1986 almost took up a prestigious post at Yale. In the end, he decided to stay in Canada. "It turned out to be the best decision I ever made," he says. The reason: in 1993, Amgen Inc., a prosperous, Los Angeles-based drug company, offered to spend $133 million over 10 years to create an institute led by Mak within the OCI.

'You can't stop, you can't sleep'

Home is one place where Mak tends not to talk shop. His wife, Shirley, a former librarian, is more concerned with family affairs. But daughters Julie, 23, and Shi-yen, 21, appear to share their father's dominant interest: both are studying science at university. In his work, Mak's focus increasingly is shifting from immunology to cancer. The need to find ways of eventually curing such dread diseases as breast cancer is so great, says Mak, "that you can't stop, you can't sleep—it's just too pressing."

MARK NICHOLS

PHOTOGRAPHY

CRAIG KIELBURGER

Craig Kielburger settles his arm comfortably on the shoulder of Lee Flory, retired executive of a multi-million dollar American foundation. In a few minutes Craig will give the keynote speech at a prestigious symposium on business ethics at the University of Wisconsin in Madison. But first a photo-op with deans and donors. The child rights activist from Thornhill, Ont., is turning 14. The man he has captivated over lunch represents The Grainger Foundation, a family trust that gave $21.7 million to Madison's School of Business. "I've never met anyone like him in my life," Flory says of Craig, who appears to have grown several inches since he began to travel the globe a year ago on behalf of "Free the Children." In that time Craig has learned to cope with political infighting, often-cynical media, and the intricacies of the human rights issue he has made his own.

The anti-child labor group that Craig and some friends launched with a garage sale has grown to an international movement that its members hope will do for youth what the women's movement did for women. "I play video games and watch TV but there's more to life than that," says Craig. "Faxing and the Internet have created a global community. The kid next door has become the kid in Latin America or Asia."

He is equally at ease lecturing CEOs on leadership as he is mingling with impoverished street children. "I divide my life into pre-Asia and post Asia," Craig says, recalling the trip last winter when he upstaged Jean Chrétien and his Team Canada entourage by speaking out about the children he met. At his age, it is hard to talk about early influences. But Craig gives much credit to his only brother, Mark, now 19, who was busy circulating petitions to protect the environment while Craig was an impressionable six-year-old.



PHOTOGRAPHY BY PHILL SNELL/MACLEAN'S

A snowball of celebrity has brought the world knocking on the door of the Kielburger home. Teenage and adult volunteers—including a woman doing community service as part of a court sentence—come and go, fielding phone calls while Craig's mother makes his travel arrangements. Any speaker fees go to the charity. When his schoolteacher parents suggested he stop to take life a bit easier, Craig would have none of it. Instead he registered in an independent study program with flexible hours.

On this frosty morning in Madison, Craig works on his algebra homework before heading to the Business School auditorium. At the dais, Craig speaks like a preacher, with hands gesturing and long pauses for effect. "Governments should be building schools, not army tanks," he intones. In response to a question, he says: "People ask who is behind me, who is pushing me. Why are adults so surprised when children get involved in social issues? Drug dealers don't underestimate the ability of children."

Later, Craig strikes a conciliatory tone on a panel with top brass from corporate giants such as Levi Strauss and Mobil Oil. Yet his words carry the conviction of an ethical compass that is strongest in childhood. "We just do not believe that the adults of the world can put a man on the moon and invent nuclear bombs, but cannot feed the world's children."

The next day Craig and his father will board a plane for an Amnesty International youth conference in Virginia Beach, Va. Maybe there will be a good movie on board, Craig muses. A film with a social message. Something with meaning.

NOMI MORRIS



MARY SIMON

'The hardest part is being away from my family'

For a brief moment, Mary Simon is savoring the comforts of home—in her case, a two-storey wood-frame house in central Ottawa. The bookshelves are filled with volumes on northern Canada and soapstone carvings, prints and paintings by northern artists grace nearly every inch of display space. Just back from a five-day trip to Norway, Simon has only a few days to unwind before embarking on a 10-day journey to Greenland and Russia. It is all part of her job as Canada's ambassador for circumpolar affairs and chair of the newly-formed Arctic Council, an eight-nation organization that is designed to foster cooperation in the northernmost regions of the planet. It also means spending more than half of each year on the road—a nomadic existence that is nothing new to the 49-year-old Inuit leader. "I seem to have been travelling all my life," she says with a hearty laugh.

Born in Kangirsualujuak (George River) in northern Quebec, Simon spent much of her first 15 years moving with her family from camp to camp by dogteam or canoe. Her Manitoba-born father, Bob May, who is white, went north as a Hudson Bay manager. He stayed on to found a fly-in fishing and hunting business and to marry Simon's mother, Nancy, who is an Inuk. The second eldest of eight children, Simon says she learned early on about "living close to the land" and how to sew her own parkas and kamiks, or traditional boots made of caribou, walrus or seal hide. The family spoke Inuktitut and Simon took much of her schooling through correspondence courses. She credits those years with giving her a firm grounding in two very different cultures. "I can live down here in a house like this," she says with a sweep of her hand, "or I can go up North and live in a tent, and I'm very comfortable either way."

Good thing, too. These days, Simon's life is punctuated by cellular phone calls, faxes and labyrinthine plane schedules. Since 1994, when she became the first Inuit to hold an ambassadorial position in Canada, Simon has worked tirelessly to help found the Arctic Council, which held its inaugural meeting in Ottawa this September. Her goal, she says, is to show that international cooperation can have results—preserving, for example, the Arctic environment and creating northern jobs through free trade in northern products.

For Simon, the Arctic Council is the culmination of a career that has seen her play a leading role in several Inuit institutions. But it required some sacrifices. For most of her adult years, Simon has had to make her home base far from northern Quebec, where her parents and siblings still live. Before pulling out pictures of herself and the fish she caught during a recent visit home, Simon remarks wistfully, "The hardest part of my job is being away from my family so much." She has also had to adjust to life in urban Canada, where the casual friendliness of a northerner is sometimes viewed with suspicion, if not outright alarm. "At first," she recalls with a wry smile, "I'd say hello to strangers and make eye contact. People would look at me like I was crazy."

To relax, Simon and her husband, former CBC broadcaster Whit Fraser, canoe, camp and ski at every opportunity. She also cherishes her time with her three grown children, from a previous marriage, and the four grandchildren (with a fifth on the way) that they have given her. As her long-distance duties beckon, those moments seem increasingly precious.

BRIAN BERGMAN

PHOTOGRAPHY BY PETER EGGG/MACLEAN'S

William Hutt and Martha Henry

'Hello icon, hello darling'

William Hutt, the venerable actor, is describing his 30-year-long association with Martha Henry, actor and director. "I've played Martha's brother, uncle, lover, husband and father, and if she'd been available for *The Importance of Being Earnest*, I'd have played her mother," he says, rolling out the punch line with a comic's perfect timing. In the past three years, the two have enjoyed their most creative collaboration, in the Ontario Stratford Festival's productions of *The Stillborn Lover*, which Timothy Findley wrote for them, and in Eugene O'Neill's *Long Day's Journey into Night*.

"Hello icon, hello darling," Hutt greets Henry, as they settle in for lunch at a popular restaurant in Stratford where they both live. Exercising his sonorous voice, Hutt teases Henry by repeating the accolades they received for their work in *Long Day's Journey*. The two stage veterans played—inhabited, more accurately—James and Mary Tyrone, a married couple locked in a mortal embrace for two Stratford summers. They re-created those roles in David Wellington's 1996 film version. "First, we were called the Lunts, then we were theatre royalty, now we're icons," says the 76-year-old actor who, after a 49-year career, appeared in his first major screen role as Tyrone.

The production, both say, was the experience of a lifetime. Trying to explain what made it special, Henry is wary of putting the intangible into words, but plunges in anyway. Once an actor has studied the text of a play, she says, "you try to stay out of the way, so that you can become its deliverer. Of course, all the elements have to be there—a good text, the right cast, the right audience—for that electrical communication to happen. It rarely does, but with *Journey* it happened just about every night." The film version of *Journey* swept the Genies acting categories last month, earning Henry and Hutt best acting awards. As well, Henry, 58, earlier this year won a $10,000 Governor General's Performing Arts Award for lifetime achievement, an award Hutt received in 1992.

For Hutt, this past year has also been momentous: for the fourth time, he performed the title role of *King Lear*. Now, he is taking a year off to undergo a hip replacement. After a standing ovation on closing night, Hutt was in his dressing room receiving a string of young actors who had come to pay homage to the king. "Take care, Big Daddy," they say, using the nickname a Stratford stage manager gave him because of his deep, rich voice.

Henry, meanwhile, is booked until the fall of 1998. The actor, who served as artistic director of the Grand Theatre in London, Ont., from 1988 to 1995, has just wound up a tour of *Love Letters* with her actor husband, Rod Beattie. While Henry has many acting years left, she points out there is nothing comparable to Lear in the female canon awaiting her when she is 76.

During dessert, both actors ham it up for the camera. Hutt playfully mimicking a food fight with bent fork and a morsel of fruit. But later the two speak to each other in low, confiding tones. Hutt drapes his arm around Henry's shoulders, and she leans in to him. Stage mates for three decades, the two seem temporarily enclosed in their own world. But then, creating special, intimate worlds is what Hutt and Henry do best.

DIANE TURBIDE

PHOTOGRAPHY BY PETER BREGG/MACLEAN'S

BRUCE CRAIG

'How many of you believe there is life on other planets?'

He is a teacher whose lessons have touched almost everyone in tiny Cypress River, Man. "Bruce Craig sees the world through his students' eyes, and teaches them to believe that what they want to do, they can do," says Marianne Anderson, whose three sons have all attended Cypress River Elementary School, where Craig is principal, physical education instructor and teacher of grades 4, 5 and 6. His fellow teachers—there are three—agree. 'He can get those kids to do amazing things,' says Irene Plaetinck. "With him, teaching means making every single student shine." Even his youngest charges seem keenly aware of Craig's distinguished pedagogical abilities. "When he shows us how to do the Macarena," says Grade 1 student Anel Arason, "he sticks his bum out and he does the wiggle part."

In fact, ever since Craig moved to the Cypress River area after graduating from the University of Manitoba in 1977, the lessons have been piling up. And so, last April, the 200 citizens of the farming community 190 km west of Winnipeg decided to teach Craig, 43, a lesson of their own. There's would be a lesson in gratitude. Together, they produced a six-page, single-spaced, typewritten nomination outlining in meticulous detail why Craig should win the first annual Lieutenant Governor of Manitoba Elementary School Classroom Teacher Award.

"When I heard what they were up to, I asked them not to do it," recalls Craig, whose school has 49 students in kindergarten through Grade 6. 'There are so many teachers out there with bigger mountains to climb." But the parents of Cypress River would have none of it, and set to work chronicling his story. It includes tales of a man who acts out the water cycle by jumping on and off his desktop, who gives up his lunch hours to offer private harmonica lessons, and who teaches in costume on Halloween.

In June, Craig found himself at the official residence of Lt.-Gov. Yvon Dumont. Before a crowd that included Craig's wife, Mary Ann, who is a homemaker and caterer, and their three children, Matthew, 11, Lindsey, 9, and Katie, 7, as well as Craig's parents, Bill and Aileen—both retired schoolteachers from Clinton, Ont.—Dumont announced that Craig was the unanimous first choice of a provincewide jury of parents and school trustees.

A visit to his modest brown-brick schoolhouse, where students are invited to take a hands-on approach to learning, makes it easy to understand why. One recent example: a month-long project on dinosaurs, for which Craig brought three electric drills to class and alternated lessons with ear-splitting workshops in which students re-created dinosaur skeletons from livestock bones. "Not every child is great at math or writing," explains Craig. "I'm always looking for a place in every lesson where all my students can marvel at their own unique strengths."

If one lesson informs all the others Craig teaches, it is that there is always a place for wonder and possibility. Pausing during a discussion on the Solar System last month, Craig stood before his students, his eyes suddenly as wide as saucers. "How many of you believe there is life on other planets?" whispered the teacher. As a roomful of tentative hands made their way skyward, Craig's shot up above the others. "I sure do," he said. "Why not?" Why not indeed. When Bruce Craig is the teacher, a child could be forgiven for believing anything is possible.

VICTOR DWYER



PHOTOGRAPHY BY RICK CHARD



MYRIAM LABERGE

'We cried for an hour. Both of us. Nobody was speaking for Canada.'

Myriam Laberge's living-room in Delta, B.C., is decorated in subdued earth tones and cream. On a late autumn morning, sunlight streams through lemon-colored leaves, dappling the room with liquid gold. Laberge is remembering the gripping telephone conversation a year earlier with her younger sister, Chantal Laberge, a management consultant, was in San Francisco on business. Chantal, her younger accountant sister, was at home in Montreal. Outside, Quebec was splitting down the middle in a referendum on its future. They shared their fears, speaking in French as they have since they grew up together and, Mynam recalls, "We cried for an hour. Both of us." Flying home to Vancouver the next day, Laberge realized that she might lose a country she had always taken for granted. "Nobody was speaking for Canada,' she recalls now, and her eyes fill afresh with tears.

In the year since Quebec's referendum, Laberge has moved from shaken bystander to committed activist. From her home base, she has been a ringleader in one of the most hopeful movements in Canada's bitter national unity debate. Through Laberge's efforts, and those of others in every province, new networks were established this year of Canadians determined to raise their voices—and views—in any decision about the country's future.

For Laberge, 40, Canada's cause is very much a personal story. She comes from Girouxville, a hamlet of 350 people in a part of northwestern Alberta where the mailboxes are dotted with French names. Many of her family members come from Quebec's Saguenay, the hotly nationalist region where Laberge's parents were born and lived until they moved west in 1953. "Lucien Bouchard is actually a distant relative," she chuckles. Raised in a "98-per-cent French community," she says, "I didn't learn to speak English 'til I went to high school."

Long since fluently bilingual, Laberge studied economics at the University of Alberta in Edmonton and moved to Vancouver in 1969. She and her business (and "life") partner Don Haythorne consult to organizations striving to keep pace with change in society. "There is a parallel," she offers, between what many of her clients face, and what Canada confronts. "This isn't just about Canada and Quebec," she observes. "This is about a country that needs to reinvent itself for the 21st century."

Laberge is contributing to that national rediscovery in the grassroots movement of citizens she helped to spark. Keeping in touch with hundreds of people across the country by phone, fax and e-mail, she is striving to find a new formula for Canada "that all of us feel we can live with." To mark the first anniversary of the October referendum, she led a group of 150 people through driving rain across Vancouver's Burrard Bridge in solidarity with other groups who, on the same day, crossed bridges in communities from Quebec City to Victoria. The bridges symbolized the necessity of building new links between Canada's various solitudes.

That has meant less time than usual this summer for the long bike rides she likes to take with Haythorne or the wilderness hikes to "the big, open majestic places." She says she does not regret the effort for a moment. But asked whether she is now more or less optimistic about Canada's future, Laberge pauses. Then, cautiously, she says, "Right now, I'm not any more optimistic because I don't see a lot of change." But, after a moment, she adds, "Yet."

CHRIS WOOD

ROB FISHER

Master Cpl Rob Fisher is perched at the open side door of a Sea King helicopter, his pant legs flapping in the stiff November wind. He is tethered to the surveillance aircraft with something called a "monkey tail," and when the pilot banks steeply, the side door becomes a bottom hatch opening up on Nova Scotia's autumn landscape. "I spend about a third of my flying time in this position," says Fisher through his helmet radio. "It's a great job."

Many people might demand a bravery medal just for boarding such an aircraft. Not Fisher, 34, an airborne electronic sensor operator with the 406 Maritime Helicopter Squadron at CFB Shearwater, just outside Halifax. During a 13-year military career, and 1,700 hours of flying time, he has made the Sea Kings a second home. "I feel a lot safer here," he says, "than I do on Air Canada."

Last December, Fisher proved how safe a place the Sea King can be to 30 Romanian sailors who were stranded aboard a stricken Greek freighter tossing in heavy seas and taking on water 1,400 km southeast of Halifax. The frigate HMCS Calgary, with Fisher and four other men in a helicopter crew aboard, steamed 12 hours at 25 knots to the freighter, a voyage rough enough to heave sailors from their bunks.

At 1 a.m., the treacherous rescue began. The pilot and co-pilot, blind to the unfolding scene directly below, hovered over the crippled freighter, taking cues from two other crewmen who at the same time lowered Fisher on a cable to the ship's deck. As Fisher touched down, he was embraced by 300 lb. of terrified Romanian sailor. With the harness secure and the ship rolling, the pair swung wildly away from the boat. "That was the only time I felt there might be some trouble," says Fisher, who would repeat the daring dangle twenty-nine more times over the next four hours. Along with a batch of commendations, the heroic night also earned Fisher a Star of Courage, pinned to his blue air force uniform by Gov. Gen. Roméo LeBlanc in a September Quebec City ceremony.



PHOTOGRAPHY BY DAN CALLIS

While six-feet, one-inch and 200 lb., Fisher does not completely fit the macho man image. He is a soft-hearted lug of a guy who admits to crying at movies—"I don't know why that is"—who grew up surrounded by the military at CFB Greenwood, N.S. His late father, an air force sergeant, left home when Rob was 12, and was scarcely heard from afterward. "It wasn't great," says Fisher, but without any hint of himself as victim.

After a year at Mount Allison University, Fisher joined the military at age 20. Now, he lives in a modest Dartmouth townhouse decorated with art on a military theme. Framed pictures of his deceased parents rest on the television. When his own marriage ended six years ago, Fisher tried to stay close to his two daughters, even when far away. "When I was in a port for a few hours," he says, "I'd try to drop them a postcard. They have a big collection now from all over." Last summer, when he transferred from Esquimalt, B.C., to a helicopter instructor's job at Shearwater, his older daughter, Shannon, 15, chose to join him. Her sister, Nicole, 13, plans to visit from British Columbia next summer. Has their father's sudden celebrity changed the way they think of him? "Not at all," laughs Fisher. "Through all of this, they've kept me grounded."

MERLE MacISAAC

'I feel a lot safer here than I do on Air Canada'

CAROLE LAFRANCE

'Most of my life has been overcoming my dislikes or my fears'

Carole Lafrance is in demand. Early Monday morning her phone is ringing. A fax has already crawled into her cosy country home in the Laurentians with its pine beams and crackling fire, and a reporter from a local French paper has shown up to interview the first female chair of the Canadian Chamber of Commerce. Her bushy black cat scratches furniture as Lafrance rehearses a speech while a huge great dane hovers nearby and a cocker spaniel sleeps at her feet. This is the start of what is supposed to be a *slow* day for Lafrance, a successful Montreal businesswoman whose life has been a whirlwind of criss-crossing the country, giving dozens of speeches and interviews and pressing concerns to politicians since she was elected to head the 71-year-old business lobby group in September. No wonder the word "time" seems to permeate many of Lafrance's conversations. "I want more hours in a day," she laments.

The historic nature of her new role is not lost on Lafrance. "I've had men come up and say, 'It's about time,' " she says. In fact, it was a sense of duty that led her to seek the Chamber of Commerce job. For Lafrance, 52, increased visibility of women parlays into their greater acceptance. " 'I've always had this real weak spot for helping women get ahead because I know what it's like to be a woman in business—and it's not always easy," says Lafrance. "The more people get used to seeing us, the more they accept us.' "

A Franco-Ontarian raised in North Bay, Lafrance worked in Toronto and France, before moving to Montreal in 1970, because " 'I wanted to be able to live in either language whenever I want.' " After a job placing recruitment advertising in Canada for an American company, she started her own advertising agency in 1978 called Cala Human Resources Communications Inc. When Lafrance sold Cala two years ago to a Toronto firm, it was a $30 million operation with some 100 employees across the country.

For a woman who hated packing, feared flying and disliked public speaking, Lafrance took on a role at the chamber that involves all three—in spades. She has not flinched. "I think most of my life has been overcoming either my dislikes or my fears," says Lafrance. An amiable woman with a ready laugh, there is no trace of the shyness that she says she has worked hard to overcome.

Lafrance stresses a distinctive national unity theme in her almost non-stop schedule of speeches. One of the main points she makes is the need to knock down interprovincial trade barriers to help make the country work better. "I believe strongly that Canadian unity is a business issue," she says. When she is not travelling, Lafrance, who is single, divides her time between her home in the Laurentians and a condo overlooking the St. Lawrence River in Montreal. Lafrance, who is financially secure, has no idea what she will do once her 12-month term is over. "I'd just like to see what life has to present. And as I say, the worst thing that can happen is that I won't have anything to do next year." Chances are, she won't be idle for long.

BRENDA BRANSWELL



TED NEWALL

'I think about the way father worked—long hours and very intense'

It is minus 20°C on a November Sunday morning, but Ted Newall is brushing off any suggestion that it may be too cold to take pictures on a hill just across the Bow River from his downtown Calgary condominium, a spot that has a breathtaking view of the city and the snow-capped mountains beyond. He is of Prairie stock, after all, born in Holden, Alta., and raised in Prince Albert, Sask., where the family home was some six blocks from his school. "All the boys would show up even if it was 45 below," he says with a laugh. "If you didn't, the others would razz you for being chicken."

And Ted Newall, the hard-working, unassuming vice-chairman, chief executive officer and director of Calgary-based NOVA Corporation has never been one to shy away from a challenge. He is even a corporate trailblazer of sorts. In 1994, he began taking his salary in NOVA stock—at a cash value of about $800,000 this year—in part as a message to NOVA's investors. "That's a very powerful statement to them that I am convinced that this is a good investment," says Newall. But he has also made a mark beyond his pipeline and petrochemical company. He is a former chairman of the Business Council on National Issues, and his 1994 investment as an officer of the Order of Canada cites his volunteer work and support for charitable endeavors, the arts, and the cause of national unity. This year, he took on a new role as chair of the University of Calgary's board of governors.

Now 60, Newall was a young commerce graduate from the University of Saskatchewan when he went to work in Montreal as a sales representative for DuPont Canada Inc.—where one of his first jobs was drumming up a market for children's snowsuits made of nylon fabric instead of the wool he used to wear on those cold Prairie mornings. He bounded up the corporate ladder, making executive vice-president at 39 and CEO three years later—only to leave DuPont to take over NOVA in 1991.

In his first year at the helm, Newall oversaw a major corporate restructuring, including the closure of some chemicals plants and the sale of NOVA's 43 per cent share in Husky Oil Ltd. "I didn't come in here like a genius with a whole bunch of ideas," Newall insists. "I just came in and helped people focus on the problems and listened to their ideas and said 'Yes' to the ones that made the most sense." In 1995, NOVA delivered record earnings of $702 million on revenues of $4.5 billion.

A self-described non-partisan fiscal conservative who is also "sort of liberal—that's small l—on the social side," Newall and his wife Margaret, a former piano teacher, go for long walks along the Bow River on the weekends. Along with their three grown children and two grandchildren, they visit their cottage north of Toronto in the summer. But Newall also normally spends at least part of each weekend at the office. He says that he and his four brothers and two sisters inherited a work ethic from their small-businessman father, Robert. "Every time I think I'm working too hard," he says, "I sit back and think about the way father worked—long hours and very intense." That early lesson has clearly served Ted Newall well.

MARY NEMETH

PHOTOGRAPHY BY TODD KOROL



JANN ARDEN

'I'm not always going to sell records—and I know my parents are going to love me the same'

MACLEAN'S HONOR ROLL 1996

Jann Arden once spent a month as a deckhand on a fishing boat off the west coast. She even tried street busking in the 1970s—until someone punched her in the face and stole the few dollars in her open guitar case. In fact, it has been two decades since she first began plucking a guitar in the basement of her parents' home in Springbank, just west of Calgary. And as recently as 3½ years ago, Arden was still struggling to meet her $325 monthly rent. But her talent and offbeat wit, her powerful voice and moving lyrics and the long years she put in polishing her craft are finally paying dividends. It is not that she is wealthy these days. But the 34-year-old pop singer-songwriter socked away enough to put a down payment on a trendy new, three-storey Calgary townhouse this fall. It all happened so gradually, says Arden, sitting on one of her new sofas late one recent afternoon. "But those firsts—the first Juno, the first time you hear your song on the radio—those never come again," she says. "I mean your skin just kind of bubbles off the skeleton, you just feel the weirdest sensation, like laughing hysterically and bawling at the same time."

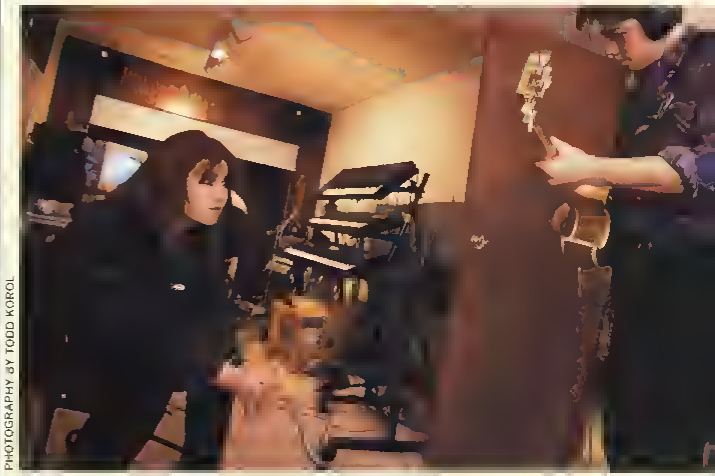
That is all a bit old hat by now, of course. Arden won her sixth Juno this year—a best video award for *Good Mother*. This year she also finally broke through in the U.S. market with *Insensitive*—the biggest hit from her second album, *Living Under June*—making the Top 5 on adult contemporary charts. The same single has already been a hit as far afield as Italy and Australia.

It has all been hard work, though. There was a period early in her career when Arden was playing in various rock and roll bands and "not looking after myself very well—just tired out and partying," she says. Later, she spent years working diligently at her songwriting, making demo tape after demo tape, only to get turndown letters in reply.

Now, after more than two years of almost nonstop global touring, Arden, who is single, is back home, working on a new album that she expects to begin recording in January. She spends most mornings working on demo tapes in a small studio—and her afternoons at home, writing new songs. It is not always an easy process. "You can struggle for hours and not have a single sentence," she says. At other times, though, the words just seem to flow, as they did one sleepless night when the words to *Unloved*—one of the tunes from *Living Under June*—came tumbling out. "There will be no consolation prize/This time the bone is broken clean," Arden jotted them down in a book she was reading, then turned out the lights. But more lyrics kept intruding on her sleep. She finally got up and wrote the rest of the song in about 80 minutes. Concerned that she would forget the words by morning, she says, "I sang it really quickly as an outgoing message on my answering machine."

Past success merely increases the pressure, but she says she is prepared for the fickleness of music fate. "I'm not always going to sell records—and I know my parents are going to love me the same," she says. "My mom says to me, 'It could go to hell at any minute.' But she says it with a smile on her face—she just means you've got to be prepared to keep going no matter what the outcome." One outcome so far is certain—Arden has kept her feet firmly planted on the ground, even as her star continues to rise.

MARY NEMETH



PHOTOGRAPHY BY TODD KOROL

'Between us, we are a whole person'

Marnie McBean and Kathleen Heddle

In a restaurant 54 storeys above rush-hour Toronto, long after the business-lunch crowd has returned to work, rowing champions Kathleen Heddle and Marnie McBean are ready for dessert. Eyeing a platter bearing portions of seven or eight different cakes and pastries, Heddle leans forward to consider her options. Her partner dives right in. "I *really* like *this*," McBean enthuses, jabbing her fork at a way-too-rich chocolate mousse cake. The conversation subsides for a time, but when only scraps remain, the subject turns to the future. Heddle, 31, intends to retire from rowing while McBean, 28, is giving the idea serious thought. Retire to what? They don't really know. "I am giving myself time to look at things," Heddle says. McBean nods. "When people ask what I'm going to do next,' she adds, "it's a bit like them asking what I'm going to do when I grow up. Well, there's no rush."

Rich desserts and white-tablecloth lunches are not exactly staples in amateur sport. As recently as the summer of 1990, Heddle and McBean made ends meet by selling hotdogs and nachos at minor-league baseball games near their training centre in London, Ont. "The worst was having to squeeze out that really gross nacho cheese goo," McBean recalls, and they both wince. But all that has changed. Double gold-medallists at the 1992 Games in Barcelona, the two were ubiquitous in pre-Atlanta media coverage last spring and summer. Then, in a thrilling race that went right to the finish, they won the double sculls event on Lake Lanier, north of Atlanta. Now, they are recognized even when they don't have oars in their hands. Strangers want their autographs. They are the first Canadians—ever—to win three Olympic gold medals. Yet they don't seem very impressed. "Carl Lewis was celebrating his ninth gold medal when we were celebrating our third," McBean says. "So in the great Olympic pool, we are still pretty little fish."

That perspective was the backbone of their Olympic victories. "People wonder why we have been so successful," McBean says. "I think it's because we don't put as high a price on winning as some other people do." Their current goal is to reverse declining support for amateur sports, and they are giving a portion of their endorsement income to Rowing Canada and other athletes. The next step is to convince more companies to get involved. "I think we can help get more funding for these people," Heddle says.

They joke about how the pursuit of Olympic excellence has stunted their personal growth. Heddle lives in Vancouver, while her boyfriend, fellow rower Mike Bryden, lives in Calgary, and she spends most of her time flying to Toronto for corporate and fund-raising events. McBean, meanwhile, is more settled in Toronto, but only just. "Kathleen has a serious relationship, and I've got a house and a dog,' says McBean. 'So between us, we're a whole person." But rowing, they insist, was no sacrifice. "It gave me the confidence to go after a goal thinking I can accomplish it," Heddle says. McBean concurs. "I kind of think that whatever I do next," she says, "it will be even more fulfilling." For Canada's most decorated Olympians, there is life after three gold medals.

JAMES DEACON





PHOTOGRAPHY BY PETER BREGG/MACLEAN'S

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Dangerous lifesavers

Carmakers are modifying the air bags that kill

There is something wonderfully reassuring about an air bag with a big pillow for a shield, the chances of walking away from a bad car accident are greatly improved. But Canadian and U.S. consumers are becoming jittery about the proven lifesavers because of unanticipated safety problems that the bags are posing for children and small adults. A string of deaths in the United States and Canada have been attributed to the explosive force of the bags, which have killed passengers as tall as five feet, four inches, even in low-speed accidents. In a particularly horrific case in Idaho late last month, a passenger-side air bag inflated in a fender bender, decapitating a one-year-old girl. "The bags save lives but the concerns about them are legitimate," says George Iny, president of the Montreal-based consumer organization, the Automobile Protection Association. "There needs to be a far greater emphasis on warnings, and better technology."

While attributing some of the blame to parents who disregard warnings against putting children in the front seat, or refuse to belt up, carmakers are developing a new generation of less-explosive air bags, which will be available on many cars in Canada by next fall. And "smart bags," using technologies such as radar to take a passenger's size and position into account, could follow within three years. But Iny says many manufacturers have fallen short when it comes to helping the car-buying public. "It's not acceptable to tell someone who car-pools five kids in the morning that they can't use the front seat," he says. And some manuals warn only about the dangers for young children, Iny adds. But shorter drivers who have to pull the seat forward to reach the pedals, for instance, should be warned to leave enough space for the bag to inflate without causing injury: estimates range from six inches to 12 inches. Otherwise, Iny suggests, the pedals should be altered to provide more clearance, or the air bag deactivated.

Part of the problem is that the nylon bags were originally designed to help protect an average-sized adult who is not wearing a seat-belt. Exploding from the steering wheel or dashboard at up to 320 km/h, they take just 1/20th of a second to get in place to prevent a driver or passenger from colliding with a car's interior surfaces. But if the bag hits a person in the head, instead of the chest, it can do a lot of damage—a child's skull may be fractured, or an adult's neck broken. Exacerbating concerns is the fact that the bags can go off in collisions at speeds as low as 15 to 20 km/h. So far, air bags have been blamed for the deaths of at least 32 children and 20 adults in the United States, and one child and two adults in Canada. While most were not wearing seat-belts—which reduce the dangers of air bags for children and small adults—investigators found that the victims would have survived if the bags had not inflated. There is no question, however, that air bags save many more lives than they cost, the National Highway Traffic Safety Administration, a U.S. agency, predicts that, as the bags become more common in the coming years, they will save about 1,500 lives a year.



GEORG F. SCHEUFLER LICHT

Air-bag test: a less-explosive model will replace the devices blamed for 55 deaths in North America

Air bags have never been required under Canadian regulations. The devices started appearing in U.S.-made cars early in the 1990s because U.S. authorities, frustrated by widespread lack of compliance with seat belt laws, opted for an involuntary restraint system. (Only about 68 per cent of U.S. passengers buckle up, compared with about 92 per cent in Canada.) By 1993, many cars carried driver-side air bags, in anticipation of U.S. laws that will make them mandatory in new vehicles next September.

The horror stories emerged gradually, but by last spring authorities on both sides of the border were issuing strong warnings about children and small adults. Nicole Pageot, director general of road safety for Transport Canada, says the government has been using brochures, a toll-free hotline and seminars to get the message across: children under 12 should not ride in the front seat of cars equipped with air bags. That is particularly important for infants in rear-facing car seats, because the bag can catapult an infant into the upright portion of the seat. Small adults should move their seat as far back as possible. And in all cases, bags are safer and more effective when seat-belts are worn.

The Big Three carmakers, along with Nissan and Toyota, say their 1998 models in Canada will have the slower air bags. Honda Canada has used bags that inflate with less velocity since the early 1990s. In the United States, regulations still call for bags that protect the average-sized, unbelted adult generally, only high-powered bags meet that test. The North American Big Three also announced new warning labels for all new cars and trucks.

Opting for no air bags—still a possibility with a few, mostly low-end imports—is not the ideal solution, says the APA's Iny, because bags can be lifesavers in high-speed collisions. For many families, buying a car just got more complicated.

PATRICIA CHISHOLM

The origins of man

Research disputes a theory of evolution

Just over a century ago, a Dutch researcher claimed that fossils uncovered beside an Indonesian river represented an evolutionary link between apes and modern humans. Dubbed Java Man, the bones, along with more found during the 1930s, launched a controversy that has flared intermittently ever since. No one was sure when Java Man lived—estimates ranged from 1.8 million years to 300,000 years ago—or how he fit into human evolution. Proponents of a "multiregional" theory—one of two rival positions in the disputatious world of paleoanthropology—argue that early humans emerged in Africa more than a million years ago, fanned out around the world and evolved into modern humans. The multiregionalists say that Java Man was part of that process and therefore a direct ancestor of *Homo sapiens*. But last week the bones were in contention again, after fossil dating at McMaster University in Hamilton suggested that Java Man may have lived as recently as 50,000 years ago. That would place him in the era of modern humans—and argue against an ancestral relationship. "If these dates are right," said Philip Rightmire, an anthropologist at the State University of New York at Binghamton, "the multiregionalists will have to do some fast thinking."

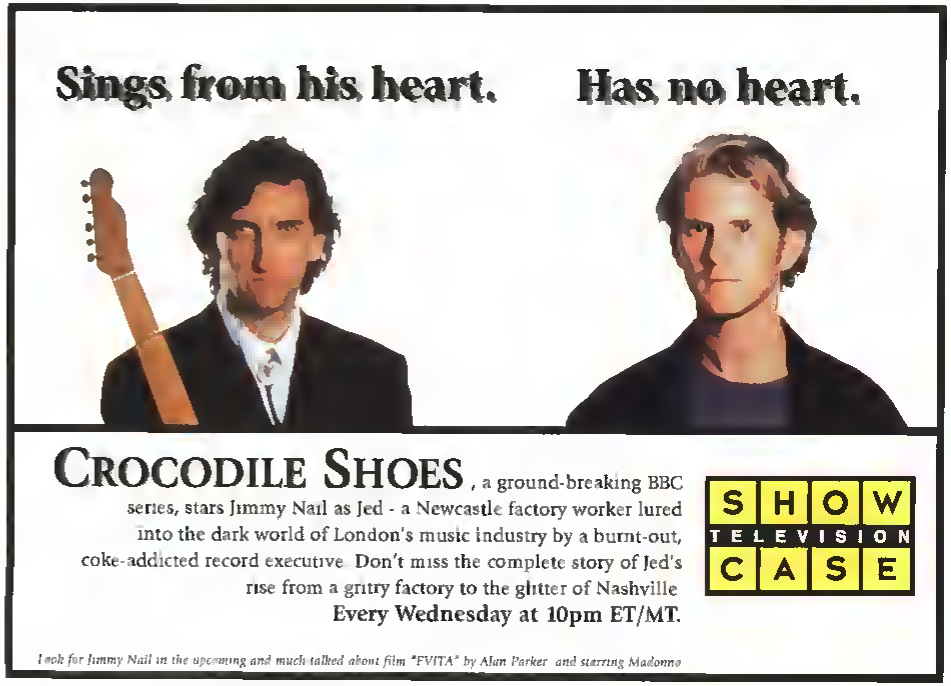
The findings by McMaster geologists Henry Schwarcz and Jack Rink appeared in the journal *Science*. According to Carl Swisher, a geologist at California's Berkeley Geochronology Center who led the research team, the new dates show that Java Man, part of the group of early humans known as *Homo erectus*, was an evolutionary dud who coexisted with *Homo sapiens* briefly before fading from the scene. "We're getting a lot of flak from the multiregionalists," said Schwarcz. "They say *Homo erectus* should have disappeared earlier."

The new findings also challenge the rival Out of Africa theory. That view holds that modern humans emerged in Africa as recently as 150,000 years ago and spread around the globe, driving *Homo erectus* into extinction—well before the era pointed to by the new finding. "Somehow," says Rightmire, "*Homo erectus* in Java must have escaped contact with modern humans longer than we'd have expected."

But dissenting researchers also questioned the new findings on grounds of methodology. Teeth are the easiest fossils to date, but the skulls found near the Javanese village of Ngangdong are toothless. The McMaster dating was done on teeth that came from remains of animals found in the same sedimentary level. "How do we know the animal teeth in the area have anything to do with the human remains?" asked Milford Wolpoff, a University of Michigan anthropologist. Swisher insists the location of the teeth in the same sediment dates them from the same period.

Schwarcz and Rink arrived at their controversial conclusion by using McMaster's nuclear research reactor to measure the amount of naturally occurring uranium that built up in the tooth enamel over the centuries. Said Rink, "We're very confident of these results." Even so, they were likely to come under heavy attack in the weeks ahead as rival theorists clash once more over long-vanished Java Man.

MARK NICHOLS





Scene from Ragtime: *even the lyricists had to audition*

From rag to riches

Drabinsky builds a musical from the ground up

BY JOHN BEMROSE

Last week the world premiere of the new musical *Ragtime* ended in a blaze of television lights, as cameramen rushed down the aisles of Toronto's Ford Centre for the Performing Arts to record the triumphant moment. The black-tie crowd was on its feet cheering. The large cast grinned from the stage as the show's creative team emerged from the wings to share the accolades. Frank Galati, *Ragtime*'s bluff-faced, bearded director was there, and so was its elfin composer, Stephen Flaherty. Even E. L. Doctorow, the reclusive author of the original novel, had been persuaded to take a bow. The last to step out was producer Garth Drabinsky, instantly recognizable under his longish, Sixties-style mop of hair. As he moved slowly to the centre of the stage he was greeted by thunderous applause, there seemed to be general recognition in the auditorium that he, more than anyone else, had nursed *Ragtime* from a mere idea to an $11.5-million production of enormous complexity (page 72).

For Drabinsky, 48, the launch of *Ragtime* represented the climax of a process that had started in the fall of 1993, when Marty Bell, the senior vice-president of Creative Affairs for Drabinsky's Livent Inc., presented his boss with a list of his top 20 ideas for a musical. "*Ragtime* really leapt out at me," Drabinsky told *Maclean's*. Sitting down to reread the book, he was enthralled by its lively evocation of American society between 1906 and 1915. "I was immediately struck by its potential for adaptation to the theatre," Drabinsky said, praising the novel's magical use of metaphor. "Great musical theatre must enter the area of the fantastical from time to time, to make it special, to make it transcend."

Drabinsky's use of the word "great" reveals much about the man. In the face of criticism that he has turned the production of musical theatre into an industry dominated by slick marketing techniques and customer surveys, he has always maintained that he is a visionary at heart, someone who wants to make a lasting contribution to the genre. Drabinsky first got into the song-and-dance business in 1988, when he acquired Canadian rights to the Andrew Lloyd Webber mega-musical, *The Phantom of the Opera*. Drabinsky's marketing talents have kept the crowds coming to *Phantom* for eight years, generating much of the capital that allowed him to launch original shows such as *Kiss of the Spider Woman* and his lavish, immensely profitable 1993 remount of Jerome Kern's 1927 musical, *Show Boat*. Both won Tony Awards on Broadway.

Drabinsky's plans involve producing a series of original musicals from the ground up and mounting them in buildings owned by Livent. Over the next two years his flagship theatre, the 2,200-seat Pantages in Toronto, will be joined by an 1,839-seat facility erected inside the old Lyric and Apollo theatres in New York City, and by the reconstructed 2,180-seat Oriental Theatre in Chicago. In 1993, with the details of that planned expansion just taking shape, Drabinsky knew that he had to find new shows to make his plans feasible. When he set out to convince Doctorow to sell him the theatrical rights to *Ragtime*, Drabinsky was bent on advancing his corporate strategy.

The two men met in December, 1993, in New York's Russian Tea Room. Drabinsky says he found meeting the famous writer awe-inspiring: "It was like having a professor of literature sit down and talk with you." Doctorow—who was initially skeptical of the project—also describes their conversation in academic terms. "I gave Garth an exam in two parts," the slow-spoken author told *Maclean's*. "In the first part, I asked him what he thought of the movie made from *Ragtime* [by director Milos Forman in 1981]. The second part was an essay question: would he talk about my book and his understanding of it." Drabinsky, who had disliked the movie nearly as much as Doctorow, had passed the test with flying colors. The next month, Doctorow sold him the rights.

Drabinsky's unusual method of picking songwriters for *Ragtime* caused a stir in the industry. Instead of simply hiring his first choice, he asked 10 different teams of lyricist-composers to audition. Each was required to submit four musical numbers, based on playwright Terrence McNally's treatment of the novel. Stephen Flaherty and Lynn Ahrens, best known for their small-scale 1990 musical, *Once on This Island*, took up the challenge. Because of commitments to other projects, they calculated they had only 11 free days to compose, arrange, rehearse, record and mix their four songs. "There was no time for research," Flaherty recalls. "It was all energy and guts."

Luckily, Flaherty was able to draw on his college experience playing piano for a Cincinnati novelty band called The Fleeting Moments Waltz and Quickstep Orchestra. It had specialized in exactly the kind of turn



of-the-century music suitable for *Ragtime*. "What really attracted me to Garth's project initially," Flaherty says, "was the chance to combine so many classic American musical styles. We've used ragtime, early jazz and gospel and explored their relationship with eastern European folk music and the Broadway style of Irving Berlin."

Drabinsky is widely known as a hands-on producer. When it came to choosing actors for *Ragtime*, he attended almost every audition Livent held across North America. "Over three years, we looked at hundreds of actors for this show," he said. Because of his plans to mount *Ragtime* in his new New York theatre by the end of 1997, with other additions to follow worldwide, Drabinsky considered it crucial to get the first casting exactly right. "The first company creates the imprimatur for a show, the mould for all subsequent companies," he said.

He also found time in his 16-hour workdays to consider virtually every other aspect of *Ragtime*'s production from choreography to sets to the color of an actor's wig. "The great thing about Garth is that you always know where he stands," Flaherty says, contrasting Drabinsky's straightforward responses during *Ragtime*'s development with the nebulous "producing by committee" that plagues so many productions, especially in the film industry. "Garth is very passionate about this show," Flaherty adds. "He's encouraged us to make it challenging. He's not trying to deliver an easy, light evening."

Drabinsky's detractors—and he has more than a few—would probably look askance on that statement. He has extensively used consumer research, polling and focus groups not only to market *Ragtime* but to help shape details of the production itself. During workshop performances of the musical last spring, Drabinsky hired Goldfarb Consultants to research audience reactions to all aspects of the show. Their findings were fed back to the creative team who, under Drabinsky's guidance, continuously reshaped *Ragtime* to make it work more effectively. Such an approach has long been used in the movie industry, but to Drabinsky's critics, those techniques make him more of a manipulator than a visionary.

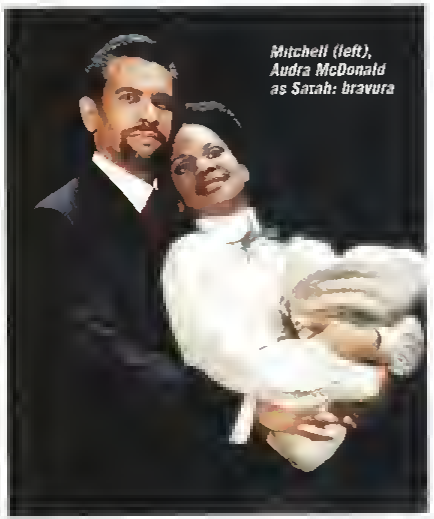
Drabinsky is outraged by such criticism. The producer is still fuming over a November *Globe and Mail* article that makes the creation of *Ragtime* sound like a piece of coldly calculated social engineering. "This work wasn't created out of research, out of some advertising idea," he growls, thumping his large fingers on the desk for emphasis. "It was created out of a passion for the art form." No one witnessing the ecstatic glow on Drabinsky's face as he waved to the opening night crowd would think that he—and his many satisfied patrons—believe anything else. □

Tempo of the times

Ragtime splendidly evokes a turbulent America

RAGTIME
Music by Stephen Flaherty
Lyrics by Lynn Ahrens
Directed by Frank Galati

Ragtime, which debuted last week in Toronto, opens with a song-and-dance number so potent that, for once, the word "electrifying" seems entirely appropriate. Most of the show's huge, 59-member cast take part, as they surge across the stage in a piece of choreography that brilliantly evokes the social landscape of early 20th-century America.


Mitchell (left), Audra McDonald as Sarah: bravura

One group of performers portrays the Anglo-Saxon establishment. Others represent waves of immigrants flooding into New York. Yet others reflect the movement of Southern blacks to the new assembly-line jobs in the north. The three groups meet with all the dynamic turbulence of rivers, voices competing and blending in the syncopated rhythms of the new musical style then sweeping the country: ragtime. It is a memorable piece of stagecraft that grippingly depicts the forces at work in the American melting-pot.

Ragtime represents a return to the older, more boisterous Broadway style of musical—as opposed to the soft-headed romanticism of such recent shows as *The Phantom of the Opera* and *Les Misérables*. Like the E. L. Doctorow novel on which it is based, the musical follows the fortunes of three families, each representing one of the social classes conjured up in the opening number. By the last scene, the tragic pressure of events has reduced the number of families to one—composed of survivors of all three. As well, the show, like the book, is leavened by the presence of such historical figures as industrialist Henry Ford and feminist-anarchist Emma Goldman—here, for the most part, reduced to caricature.

Simply on the level of production values, *Ragtime* makes the average musical look like a Sunday school concert. Designer Eugene Lee offers a kaleidoscope of exquisitely rendered locations, from New York slums to railway stations to the panelled rooms of the rich. Many of his background scenes are magical: in one, a miniature, fully-rigged sailing ship crosses the horizon under an evening sky.

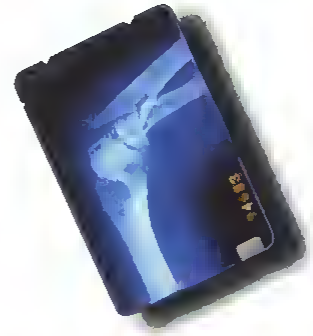
The singing, dancing and acting are first-rate. The immensely likable Brian Stokes Mitchell is particularly effective as Coalhouse Walker, the black piano man whose tragedy drives the plot. The rest of the cast delivers the show's 35 musical numbers with the sort of high-energy bravura and precision that make every note and gesture seem inevitable.

As for the quality of the music, composer Stephen Flaherty and lyricist Lynn Ahrens may not be in quite the same class as Rodgers and Hammerstein, but they have contributed an effervescent score with enough catchy melodies to give *Ragtime* all the loft it needs.

The show, however, does have one major flaw: it tries to cover too much of the material in the novel. As a result, many scenes are too compressed, too rushed, too likely to be broken off by a violent shift of focus. All this makes it difficult to feel an emotional connection to the narrative. *Ragtime* is always impressive, always fun. But in the delicate business of touching the heart, it too often hurries past the mark.

JOHN BEMROSE

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For the Record

Princely pop songs

A deity and some lesser mortals rock with a passion

EMANCIPATION
The Artist (formerly known as Prince)
(NPG/EMI)

He infuriates with his preening image, his propensity for excess and, not least, his ever-changing monikers. But The Artist, as Prince is now calling himself, deserves this much credit: no one in pop music can match his audacious talent, or his prolific output. *Emancipation*, his first release since he broke free from his longstanding contract with Warner Bros., is—at its three-disc, 36-song, three-hour length—a stunning tour de force. With four cover tunes, including Joan Osborne's *One of Us*, and with original songs ranging in style from rap and funk to gospel and big-band swing, it is also a sprawling collection. There is barely a weak track in the bunch. Obviously, his less restrictive new record deal with EMI, as well as marriage and fatherhood—subjects covered in *The Holy River* and *Let's Have a Baby*—have brought out the best in the former Prince. Now, if he could only settle on a name.


JEFF KATZ
The Artist (aka Prince)- audacious

THE BLUE HYSTERIA
Rheostatics
(Cargo)

Toronto's Rheostatics have a knack for writing pop songs about unlikely, usually Canadian, subjects. In the past, the quartet has penned tunes about sport heroes Wendel Clark and Roberto Alomar. Recently, the National Gallery of Canada commissioned the group to write a score to celebrate the Group of Seven. There is less flag-waving on the Rheostatics' latest album, *The Blue Hysteria*. But Canrock icon Neil Young does pop up in a dream sequence on *Four Little Songs*. And his influence can be heard in *Bad Time to Be Poor*, an understated lament about neo-conservative times. *The Blue Hysteria* does have a stronger melodic quality than most of the band's earlier material: the Rheostatics seem to have opted for hooks over Canadian heroes.

TIDY
Kinnie Starr
(Violet Inch/Outside)

She calls her musical style—a mix of poetry, heavy-metal, hip-hop and folk—"chunkhop." And there's no question: her wild blend of spoken verse, crunching guitars and slamming beats puts Vancouver's Kinnie Starr out on the edge of pop's mainstream. But not too far out. This is, after all, the age of pop hybrids. And Starr's second album, *Tidy*, shows easily as much innovation as albums by Beck and Alanis Morissette. Maybe more. Who else uses a spare punk delivery to celebrate The Great Outdoors, as Starr does on *Loons*? Or heavy-metal thunder to convey both passion and political rage, as on *Rime Gone Rong*? The album's masterpiece is the joyful *Praise!* with its eastern chants and percussion. When she raps exuberantly that "there will be frisbee and nakedness in lakes," Starr sounds every bit like pop's Next Quirky But Big Thing.

NEST
The Odds
(Warner)

Wry humor and self-deprecating wit have made the Odds and the Kids in the Hall not-so-strange bedfellows. The Vancouver quartet has collaborated with the comedy troupe on both videos and movie soundtracks. But on the Odds' fourth album, *Nest* the band shows more of its serious side, concentrating on clever songs about winners and losers in the game of love. *Say You Mean It Wonderful* is all raging hormones, while the country-tinged *Heard You Wrong* wallows in self-doubt. The best song is the Elvis Costello-influenced *Suppertime*, about the temptations of success. Best known for a certain wackiness, the Odds can now add passion and poignancy to their attributes.

NICHOLAS JENNINGS





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WHAT MATTERS TO CANADIANS

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Levy (left), Candy as the Schmenges: polka parodies

Books

Boobs on the tube

How *SCTV*'s inspired lunacy changed comedy

BY MORTON RITTS

One played the clarinet, the other the accordion. One was large and jolly, the other not so large but equally jolly Both had prominent moles n their faces, and when they spoke the ords seemed to get strangled at the backs their throats They were Stan and Yosh hmenge, those polka-playing, party-lov- g entertainers from some fictional, mid- e-European country called Leutonia ong with obnoxious stand-up comedian obby Bittman, simpering torch singer Lola fletherton and dozens of other characters, ey appeared on *SCTV* from 1976 to 1984 in ne of the most innovative sketch-comedy eries in the history of North American tele- vision In *SCTV: Behind the Scenes* (McClel- land & Stewart, 272 pages, $29 99), alumnus Dave Thomas, now a regular on the hit sit- com *Grace Under Fire*, has written a thoughtful and entertaining account of how the Emmy-award winning show evolved.

As a performer and head writer who gained additional notoriety as one-half of the ("Take off, eh!") McKenzie Brothers, Thomas traces his own showbiz beginnings to his student days at Hamilton's McMaster University in the early 1970s. Along with fu- ture *SCTV* colleagues, Eugene Levy and Martin Short, Thomas was active in student theatrical productions that included every- thing from Shakespeare to Neil Simon After graduation, he moved to Toronto where, along with Levy, he got his start writing com- edy sketches for CBC Radio and, briefly, tried his hand at writing advertising copy

Two developments in the Toronto theatre scene gave a major boost to Thomas and other aspiring local performers. The first was a hit pro- duction of the musical *Godspell*; the second was the 1973 opening of a downtown Toronto branch of the famed Second City comedy club from Chicago. While the club was "a startling success for anyone serious about comedy," says Thomas, "it was a business failure." But under the guidance of Canadian executive producer Andrew Alexander, it reopened a year later. Alexander soon joined forces with Second City Chicago producers to bring a version of the stage show to television. In its new format, *SCTV* billed itself as the smallest television broadcaster in the world, with each show representing a day in the life of the station.



PHILSNEL MACLEAN'S

Thomas: he 'took off, eh'

As Thomas recounts it, the history of *SCTV* is as much a business story as a creative one. For the first two seasons, Alexander and his partners signed on with the Global Television network. From the beginning, there was tension between the Chicago and Toronto groups. The Chicago producers wanted *SCTV* to be true to its intellectual and political comedy roots, while the Canadians favored comedy that parodied television and mom-and-pop culture. Eventually, Thomas, Candy and the others had their way.

Much of *SCTV*'s freshness and originality came from being what Thomas calls a "cast-driven" show, where the performers were expected not only to perform but to write sketches and develop characters. John Candy's dissolute roué Johnny LaRue was the "first substantial station character," according to Thomas. Other staples, such as station owner Guy Caballero (Joe Flaherty), busybody Edith Prickley (Andrea Martin) and newscaster Earl Camembert (Eugene Levy), emerged soon after.

Although the show aired at irregular, late-night hours and its budget and production values were far inferior to those of rival *Saturday Night Live* on NBC, *SCTV* managed to attract a loyal cult audience of channel-surfers looking for something unusual. And they found it in such preposterous sketches as a *Ben Hur* parody, where John Candy played Ben Hur as Curly of the Three Stooges, and the Bob Hope Desert Classic, a riotous send-up of the legendary comedian's annual golf tournament that, in the *SCTV* version, featured Thomas as Hope, Flaherty as Israeli prime minister Menachem Begin, and Levy as PLO leader Yasser Arafat.

After Global dropped the show, Alexander was able to make a deal with Charles Allard, the owner of an Edmonton television station, where the series was taped for its third season in 1979-1980. Alexander also got the series on the CBC, which increased its exposure to Canadian audiences.

Meanwhile, outside writers came on board, makeup and wardrobe budgets in-

Read all about it in Maclean's Dec. 30/96 - Jan. 6/97 double issue, available on newsstands December 23, 1996.



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Maclean's
WHAT MATTERS TO CANADIANS

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creased, Rick Moranis joined the show and—because of CBC's Canadian content requirements—"hosers" Bob and Doug McKenzie were born. Writes Thomas, "Bob and Doug was not the cleverest thing we did. From Laurel and Hardy to *Dumb and Dumber*, it's an American tradition to celebrate morons. Rick and I stumbled into this realization." And stumbled, too, into unexpectedly huge popularity—a situation that caused tension with the other *SCTV* cast members.

The series peaked in its fourth and fifth seasons when NBC picked up a 90-minute version. Cranking out that much weekly sketch comedy was an exhausting but exhilarating challenge, Thomas recalls. So was fending off the creative control NBC sought to impose on the show through its network producers. But, according to Thomas, in those two NBC seasons all the *SCTV* cast members hit their stride. They knew they were making their mark when, as Thomas writes, "Instead of us impersonating people, people were impersonating us ... dressing up as Bob and Doug or Count Floyd for Halloween." As well, the series won back-to-back Emmys for variety comedy writing in 1982 and 1983.

But, standing on the Pasadena Civic Center stage to receive the 1983 award with about 17 other *SCTV* colleagues, Thomas realized that *SCTV* "had become a parody" of itself: like the shows it ridiculed, it had become mainstream entertainment. After Thomas, Moranis, Candy and Catherine O'Hara left to make movies, NBC cancelled the show, citing increasing production costs.

A shortened version continued to air on CBC, and HBO, a major U.S. cable network, also picked it up. But the cast was down to three veteran regulars (Flaherty, Levy and Martin), and Martin Short, who had joined a year earlier. The 1983-1984 season would prove to be *SCTV*'s last. Efforts to bring Billy Crystal and Jim Carrey on board failed and, despite the addition of several new performers, the three veterans and Short carried the bulk of the show. Recalls Flaherty, "The bottom line was ... no one took the show seriously except Marty." An added frustration was the fact that *SCTV*'s NBC rival, *Saturday Night Live*, continued to occupy a far better time slot and remained more widely seen, if not more widely praised.

Life after *SCTV* meant big changes for its stars. "We found out that we couldn't write and direct and star in all our own pieces out there in the big world of show business," recalls Thomas. For him, as well as the others, there have been movie and television projects of varying success, but nothing approaching the creative freedom and excitement of their *SCTV* years. Muses Flaherty, "Every job we had after *SCTV* paled in comparison." While talk of a reunion surfaces periodically, no one believes it will, or even should, happen—especially since Candy's death in 1994. "I saw everybody at John's funeral," recalls Rick Moranis. "That was the *SCTV* reunion."

While they no longer see much of each other, many former members of the *SCTV* family do stay in touch. Thomas recalls speaking to Moranis long distance while writing his memoir and suddenly switching into Doug McKenzie mode and asking: "What the hell am I saying? I got no credibility with you. You know me too well. You see through this bullshit." Whereupon, writes Thomas: "We both started laughing so hard we were crying. It lasted for about five minutes, and I know it added a couple of days to my life." *SCTV* fans would probably agree the series itself did much the same for them.



Candy as female impersonator Divine: outrageous

The bittersweet life of Candy

Of all those associated with SCTV, no one made a bigger splash in Hollywood than the immensely gifted John Candy. Candy, who died of heart failure in 1994 at age 43, appeared in more than 40 films over a 20-year career. But as Toronto writer Martin Knelman suggests in *Laughing on the Outside: The Life of John Candy* (Viking Penguin, 243 pages, $29.99), an unauthorized but sympathetic biography, life for Candy after *SCTV* was not always sweet.

Knelman briefly describes Candy's working class, Toronto-area origins from the death of his father, when he was five, through high school and community college. Shy and overweight, the young Candy found solace in television's so-called Golden Age, especially in such 1950s comedy classics as *The Jack Benny Show*, *The Honeymooners* and *The George Burns and Gracie Allen Show*. While his appearances in school productions made Candy nervous, he felt quite at home "playing pretend games and putting on shows for other kids in someone's garage," writes Knelman.

Candy's bulk was always a major issue for him. In high school, he was able to parlay it into a spot on the football team. Later, of course, it became the basis of his character-driven humor. Candy's greatest comic creation, the decadent, self-promoting entertainer, Johnny LaRue, owes something not only to Jackie Gleason but to Shakespeare's Falstaff. Like them, LaRue was outrageous, quick-witted and, underneath his hefty exterior, vulnerable.

So too was Candy, Knelman writes. Beloved by friends and colleagues, and a devoted husband and father, he was a workaholic continually frustrated by a movie career that saw him in several good roles (*Splash*, *Planes, Trains and Automobiles*), but many bad ones. His association with flash-in-the-pan Los Angeles entrepreneur Bruce McNall cost him both financially and emotionally when, along with McNall and Wayne Gretzky, his investment in the Toronto Argonauts football team turned sour.

Laughing on the Outside reveals as much about *SCTV* and the plots of Candy's movies as about Candy himself. The author has clearly done his homework and provides an extensive list of interviews and other sources of information. But, overall, the reader is left with a two-dimensional impression of a three-dimensional man.

MR

Allan Fotheringham



When the CPR surveys a Prairie boy



One of the more amusing aspects of what is called Progress is that those most enamored of it don't know how to use it. The much-admired advance to civilization called Voice-Mail is the most obvious example.

To speed communication, and therefore civilization, people you've never heard of—and probably don't want to—leave messages on your office phone that are completely incomprehensible. It never occurs to them that they are talking to a machine. If a real live person answered, the real live person would say "OK, buster. Slow down. Pronounce your name correctly and do not give your phone number in a blur that forever remains a blur."

It is absolutely astounding how many otherwise intelligent people cannot figure out this simple truth. Machines can't talk back. Machines can't slow down the idiot at the other end of the line. This is called Progress.

And so, the other day, the Voice-Mail on the ever-reliable phone at the office delivers another moronic message from some guy who is probably paid $250,000 a year to not figure out how Voice-Mail works. It is from New York City. His name is, as he races to make his money, apparently BTYVCRYZ CUMQUAT and his number is 212-*(&$#@*>.

He phones back, rather irritated several hours later, to insist that I phone him at 212-^&%$#!*. All I can get from his drift is that his firm—he is a consultant I take it—has been retained to divine what is the public perception of Canadian Pacific. And he has been given my name—only God in Her Wisdom knows why—as someone who could improve his cranium in this regard. He wants to talk for "30 minutes."

Woo boy. Has he come to the correct source. I could give him 30 hours. I am a world authority on Canadian Pacific, sometimes known as the CPR, one of the great villains of Canadian history. As someone who grew up in Hearne, Sask., population 36 and shrinking, I often heard the hoary (and true) story of the wheat farmer in the Dirty Thirties.

His crop destroyed completely one year by the drought, wiped out the next year by grasshoppers, struck dead in following year by hail, he finally raises his fist to the sky in rage and screams: "God damn the CPR!"

That is how anyone who has ever grown up on the Prairies feels about the staggering outfit that now hires a Manhattan consultant in button-down intellect to figure out why it is unpopular.

This would be the parent company that, as a reward for building a ribbon of steel to the Pacific, was given every bit of the prime land in all the major Canadian cities. Pierre Berton laid it all out in *The Last Spike* how the CPR in fact determined where cities in Western Canada would be located.

Because the CPR station in Calgary lay across the Bow River from where the natural city centre was evolving, Canadian Pacific with its power shifted the town centre to its side. In Regina, where competing settlements were in question, the CPR moved the city two miles to where it was located.

On the Pacific Ocean, when the railway robber barons arrived at Port Moody, the first touch of tidewater, the CPR immediately determined—privately—that the real destination should be the magnificent harbor of Vancouver some 25 km distant.

To "lure" the robber barons there, the innocents of a Vancouver city council then housed in tents gifted them with a magnificent swath of land that contains to this day Shaughnessy Heights—the disgustingly rich homeland of the Vancouver Establishment where the hedges are higher than Matthew Barrett's wallet. And so the CPR shifted its rails to where it always intended to move in the first place.

Canadian Pacific? These are the twits who had a Vancouver based airline—actually run out of Montreal's Windsor Station of course—that was Canada's "Gateway to the Orient." And allowed it to be swallowed—thanks to the hubris of some oil-and-gas premier in Alberta—and moved to Calgary. What has Calgary got to do with Hong Kong and Tokyo? When all the pilots and maintenance people and stewardae live in Vancouver?

And so we have the airline's crisis today, Buzz Hargrove notwithstanding. Thanks to the munificence of Sir John A. in trying to link a nation by steel, we have the ludicrous spectacle of most of Canada's major cities defiled by ugly clutters of rail in their prime sections.

As a remnant of the Industrial Revolution, a rumbling freight runs right through the middle of Calgary's downtown, as it does through Toronto's sniffy Rosedale retreat. Toronto still can't figure out what to do with its railway wasteland that cuts it off from the lake.

Marathon Realty, the bloodless CP real estate offshoot, is currently and profitably erecting a picket fence of skyscrapers on its bleak rail lands that face Stanley Park and the North Shore mountains, to block the view of the Vancouver Club and nether breeds who were so unfortunate as to build behind them.

Canadian Pacific? I would just love to rant into the ear of this guy from Manhattan who is so smart he can't figure out that talking to a machine is different than talking to a person. If I could only figure out who RSUKGQZ CUMQUAT is, at 212-$%) (*&!, in real life.

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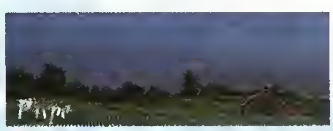




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